

Scotland County Working Lands Protection Plan

Prepared by

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Acknowledgements

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The Scotland County team listed below reviewed the plan and made recommendations:

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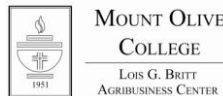
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Executive Summary

Working Lands historically have been an important part of Scotland County's economy and culture and still maintain a vibrant presence in the community. Like most industries, agriculture, forestry and agribusiness have been hurt by the recent economic downturn. Yet Scotland County has increased the number of farms and the number of acres it has in agriculture, bucking a statewide trend of losing working lands to development and expanding infrastructure.

Farmers and forestland owners have strong support in the local community and are optimistic about the future. Nearly two-thirds of farmers expect to purchase new equipment in the next five years, and about half expect to add acreage to their operations. Many expressed an interest in establishing websites to market their products and in diversifying into new farm ventures. Still, landowners face challenges to keeping their land in agriculture and trees. These challenges include property and estate taxes, access to markets and the need for increased profitability. Other challenges include an aging farmer population and concern about transitioning land to the next generation.

Scotland County has experienced minimal growth in population in recent years and to date has felt little, if any, pressure on its working lands from the Fort Bragg expansion. Some have noted a trend toward smaller tracts of land, but so far, Scotland County remains a largely rural county with numerous large tracts of land. Because of its ample water supply, available land, productive soils and good roads, Scotland County is well suited for expansion of its timber and agricultural enterprises if existing markets expand or new markets are created.

This report defines agriculture in accordance with N.C. General Statute: G.S. 105-277.2 through 105-277.7, which states that agriculture is: at least five acres of land in horticultural production, 10 acres of land in agricultural production, and/or 20 acres of land in forestry management with sound management plans and an income of at least \$2,000.

Statement of Need for Action

As a result of the Base Realignment and Closure program (BRAC), the 11-county region (Figure 1) surrounding Fort Bragg expects an influx of about 40,000 military personnel and their families over the next three to five years. With this expansion in population will come an increased demand for housing, schools, shopping, health care, transportation, utilities and public services, all of which will put a strain on the regions working lands.

The military has identified working lands—including forestry, agricultural and horticultural operations—as important to military installations because they provide a compatible use for military operations and the public. These working lands help prevent the encroachment of suburban development, decrease noise and traffic complaints, and help prevent accidental injury of civilians. As such, Fort Bragg sees working lands as compatible with their mission and supports a strong agriculture and forestry presence in the region.

The BRAC Regional Task Force (RTF) was developed to help unify regional planning efforts for the affected counties and municipalities and to serve as a liaison between communities, the military and government agencies that offer assistance programs. In 2008, the BRAC RTF received a grant from the N.C. Agricultural Development and Farmland Preservation Trust Fund to establish a regional Working Lands Protection Strategy for the counties in the BRAC region. In partnership with the staff at the Lois G. Britt Agribusiness Center at Mount Olive College in Mount Olive, N.C., and BRAC RTF, county teams were established to research the current state of agriculture and forestry, to identify challenges facing landowners and to recommend strategies for strengthening the economic viability of the county's farms and forests.

In addition to government statistics on agriculture and forestry, research for this report also included a survey of key stakeholders—agribusinesses, landowners and the general public. The surveys helped determine the public perception of agriculture and forestry, and helped identify the type of programs, incentives and economic support needed to keep working lands in operation. All of this information was considered in preparing recommendations on ways local governments can support landowners and agribusiness.

Once the county endorses the Working Lands Protection Plan and the N.C. Department of Agriculture certifies it, Scotland County will be given priority status when applying for grants that deal with farmland preservation from the various state trust funds. The plan also will provide a vision for how to strengthen the area's agricultural economy and preserve its natural and cultural resources in a time of population expansion and development.

Eleven-County BRAC Region Map



Figure 1. Source: BRAC website, <http://www.bractf.com/communities.php>

Joint Land Use Study

In 2008, Fort Bragg updated a Joint Land Use Study that was first conducted in 2006 to identify land surrounding military installations that is critical or very important to military operations because it buffers noise, reduces the risk of accident or because the land has environmentally sensitive areas. In Scotland County, there are 79 parcels of land and 12,000 acres that fit these criteria. The JLUS recommends that each county adopt an ordinance that allows landowners to lease their development rights to the county in exchange for property taxes to assure that the land remains undeveloped. Figure 2 shows the identified land in Scotland County.

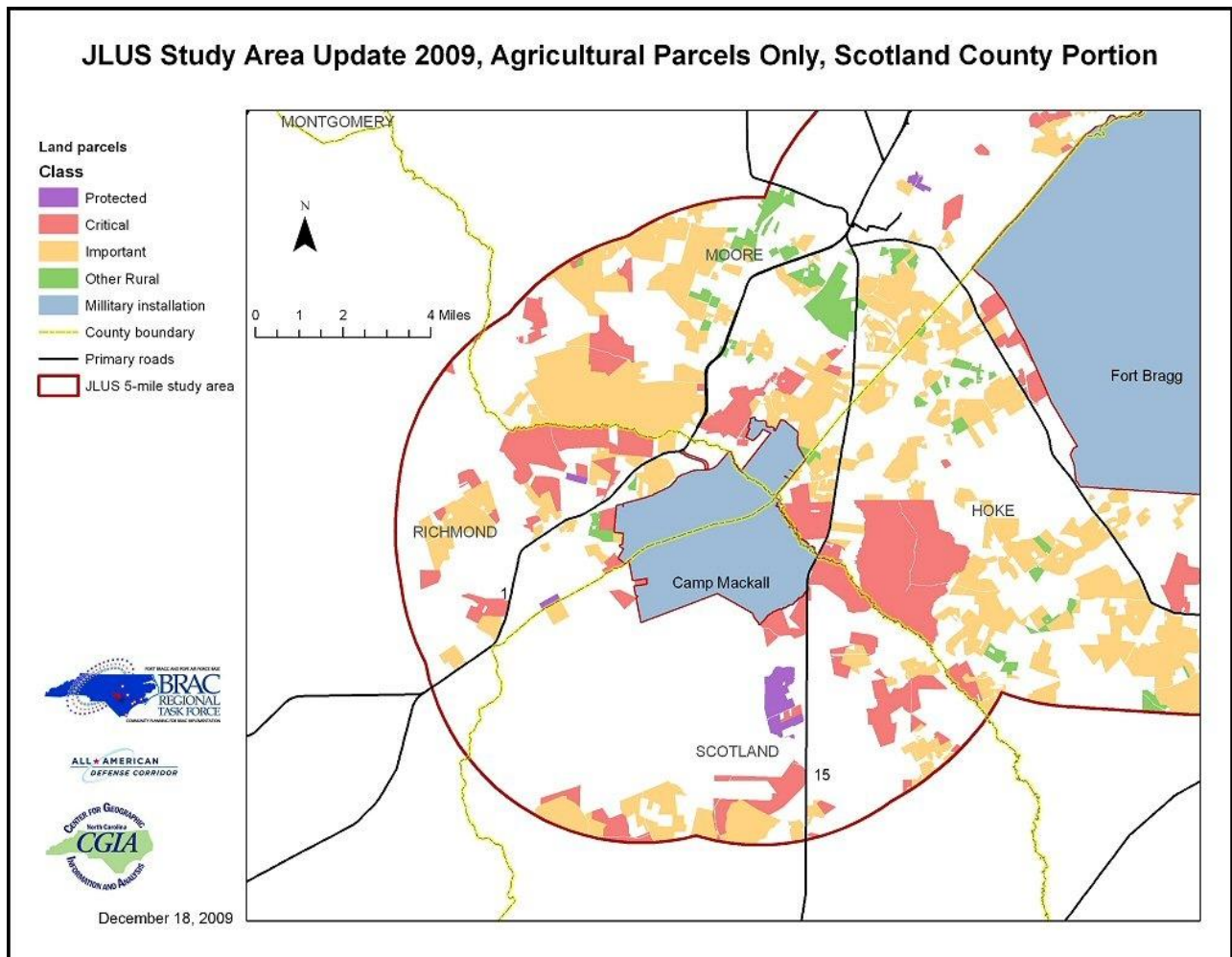


Figure 2. Source: County Parcel Files 2008 and geospatial data from CGIA for Sustainable Sandhills and BRAC-RTF.

Attributes of Scotland County

History

Scotland County was formed in 1899 from the southeastern part of Richmond County and is bordered by Richmond, Moore, Hoke and Robeson counties, and Marlboro County, S.C. At 319 square miles, it is the 19th smallest county in the state and is largely rural with an average of 113 people per square mile (U.S. Census Bureau, 2000). According to the 2000 U.S. Census, Scotland County has a population of about 36,500, about 17,000 of whom live in Laurinburg, the county seat. Other towns in the county include East Laurinburg, Gibson, Wagram, part of Maxton and the unincorporated town of Laurel Hill.

Climate

According to the USDA National Water and Climate Center, Scotland County has an average total annual precipitation of about 48.28 inches. Most of the precipitation (29.58 inches) occurs from April through October, the growing season for most crops in the area. July tends to be the hottest month with an average daily high temperature of 91.5 degrees. January is the coldest month with an average daily low temperature of 32.2 degrees.

Water Supply

Like most of Eastern North Carolina, Scotland County depends on groundwater for its residential, commercial and agricultural needs. Its water comes from the Black Creek Aquifer, which spans much of the southeastern part of the state. Irrigation for agriculture also comes from numerous ponds in the area. (Willis Engineers, 2006)

A water survey conducted in 2008 by the N.C. Department of Agriculture and Consumer Services found that statewide there are about 1,500 agricultural operations that use 10,000 gallons or more of ground and/or surface water per day at some point during the year. Total average daily groundwater consumption in the state peaks in July at 79,529,803 gallons, while total average daily surface water consumption peaks in July at 285,904,645 gallons (www.ncagr.gov).

Available data on groundwater consumption in Scotland County is imprecise at best. While some industries voluntarily report their usage, only municipalities are required to. That means that data for many large industrial and agricultural consumers are not available. In addition, the Scotland County Health Department monitors new wells for inspection purposes but does not keep records on existing wells. Most agricultural wells are capable of pumping about 200 gallons a minute, according to the Scotland County Health Department. But their use tends to be seasonal. Residences are not considered major water consumers. Public water systems in Scotland County used about 4.5 million gallons a day in 2004, but there has been a decline in consumption since then because of the closure of several industrial customers in the area.

While groundwater drawdown is a concern in some counties in the BRAC region, it is not a problem in Scotland County. (Willis Engineers, 2006) Even though all incorporated towns in the county have municipal water systems that rely on ground water, the Black Creek Aquifer continues to supply sufficient high-quality water to the area. Some studies indicate that there is surplus water available in Scotland County for future increase in demand. (Willis Engineers, 2006)

There is legitimate concern, however, that a major industrial consumer may threaten the water resource. This became evident for counties south and east of Scotland County when Smithfield Foods, Inc., began pulling 6 million gallons a day from the Black Creek Aquifer in Bladen County in 1997. (N.C. Department of Environment and Natural Resources, Oct. 2, 2002) While some wells in Scotland County were affected at that time, the amount of available water was still sufficient to meet the county's needs. (Scotland County Health Department) Since 2001, water levels in the aquifer have been improving largely because Smithfield Foods reduced its water use and Alamac Knit Fabrics, another major consumer of water from the Black Creek and Upper Cape Fear aquifers, closed. (Willis Engineers, 2006) However, there still is a need for users of water from the Black Creek Aquifer to work cooperatively to conserve the water resource.

Transportation

Highways, secondary roads and rail transportation are important in helping farmers and timber producers get their crops to markets. Interstate 74 traverses Scotland County, Interstate 95 is 25 miles east and Interstate 20 is 60 miles to the south. There are also two railways in the area: CSX, and Laurinburg and Southern. Hamlet, which is just west of the Scotland / Richmond County line, is the major East Coast Rail Distribution Hub for the United States. In addition, the Laurinburg-Maxton Airport serves an industrial park that offers onsite water, sewer and acreage for development.

Scotland County is a two-hour drive from many of the state's major urban centers -- Raleigh, Durham, Greensboro, Charlotte and Wilmington, which is home of the Port of Wilmington, a major maritime transportation facility.

Future Infrastructure

Current infrastructure expansion plans related to the expected growth around Fort Bragg do not affect existing farm or forest land in Scotland County except for a small parcel in the eastern part of the county where sewer service is planned. (Figure 3)

Demographics

Scotland County has had a below-average population growth rate of 1.4 percent since 2000 with a current population of just over 36,500. (Figure 4) (U.S. Census, 2008)

About 51.5 percent of the population is white, 37.3 percent is black, 8.9 percent is American Indian, and 1.2 percent is Hispanic. The median age in 2000 was 34.6 years. (N.C. Rural Economic Development Center, 2009, www.ncruralcenter.org)

Scotland County has been hit particularly hard by the downturn in the U.S. economy and by the trend of manufacturing jobs' moving overseas. The unemployment rate in Scotland County increased from 9.4 percent in 2001 to 17.2 percent in October 2009, the highest unemployment rate in the state at that time. (The Employment Security Commission of North Carolina, www.ncesc.com) The state's unadjusted unemployment rate for the same period was 10.7 percent. The 2008 median household income for Scotland County was \$33,364, which was 71.6 percent of the state median household income. (USDA, 2008 County Level Unemployment and Median Household Income for North Carolina, www.ers.usda.gov/data/unemployment)

In 2008, more than one-fourth of Scotland County's residents lived in poverty, well above the state's overall poverty rate of 14.6 percent. (Figure 5) Nearly 40 percent of the county's children lived in poverty in 2009 compared with about 20 percent statewide. (USDA, 2008 County-Level Poverty Rates for N.C., www.ers.usda.gov/data/povertyrates)

Tier 1 Designation

Because of its high unemployment and poverty rates, Scotland County is designated as a Tier 1 County. (Figure 6) This designation by the N.C. Department of Commerce means that Scotland County is among the 40 most economically distressed counties in the state. The state gives counties with this designation priority for economic development and access to funds.

Decline in Manufacturing Jobs

With the movement of manufacturing facilities overseas and the overall slump in the U.S. economy, Scotland County has lost about 4,000 manufacturing jobs in the last 10 years. This has contributed significantly to the county's high unemployment rate. Currently, there are about 2,400 people employed in manufacturing in the county. (Scotland County manager, 2009)

While many of the lost jobs have moved off shore and won't be coming back, there are still companies moving to the area. One big difference between the companies that are hiring now versus those hiring in previous decades is the number of people they employ. In the past, a company would hire 200 to 300 employees at one time. Now companies tend to hire about 80 people. Nature's Earth Pellet, which produces animal litter and bedding, and fuel pellets from recycled wood waste, announced plans in April 2009 to open a manufacturing facility in a vacant manufacturing building and employ up to 98 people by its third year of operation. The Griffin Group, which trains military, security and law enforcement agencies, will employ more than 20 people. Tactical Gear Distributors, which assembles kits for Special Forces and sells weapons and ammunition to the military and law enforcement, has moved its assembly jobs to Scotland County and is renovating a building for a call center. They plan to employ 50 people. (Scotland County manager, 2009)

There are other companies that are considering relocating to the area from the Northeast and Midwest regions where labor unions tend to drive up costs. However, it may be several years before a decision to relocate is made. Today, the largest non-government employer is Scotland Memorial Hospital with 600 employees. The Scotland County School System is the largest overall employer with about 1,000 people on its payroll. (Scotland County manager, 2009)

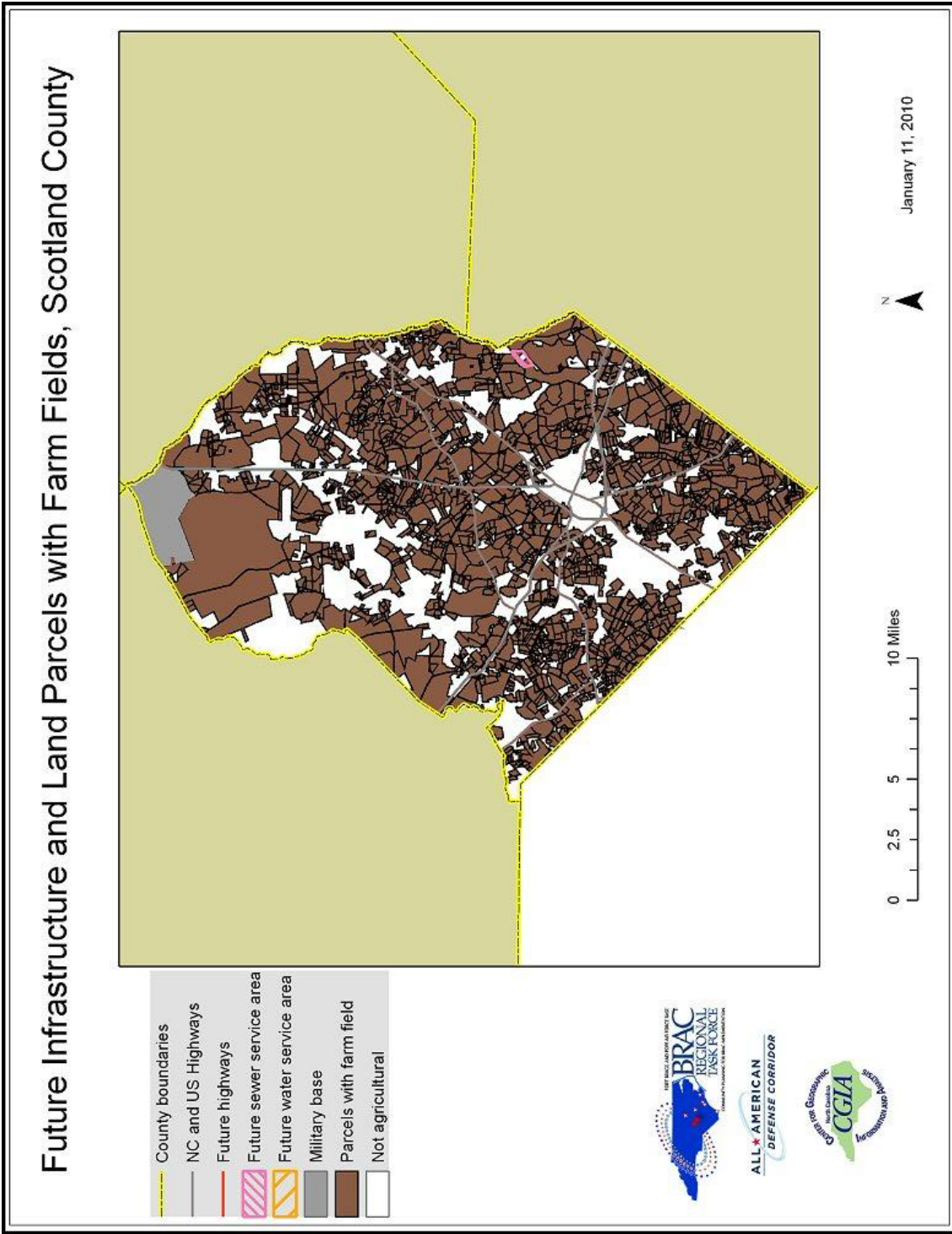


Figure 3. Future Infrastructure and Land Parcels With Farm Fields, Scotland County. Source: BRAC-RTF, 2010.

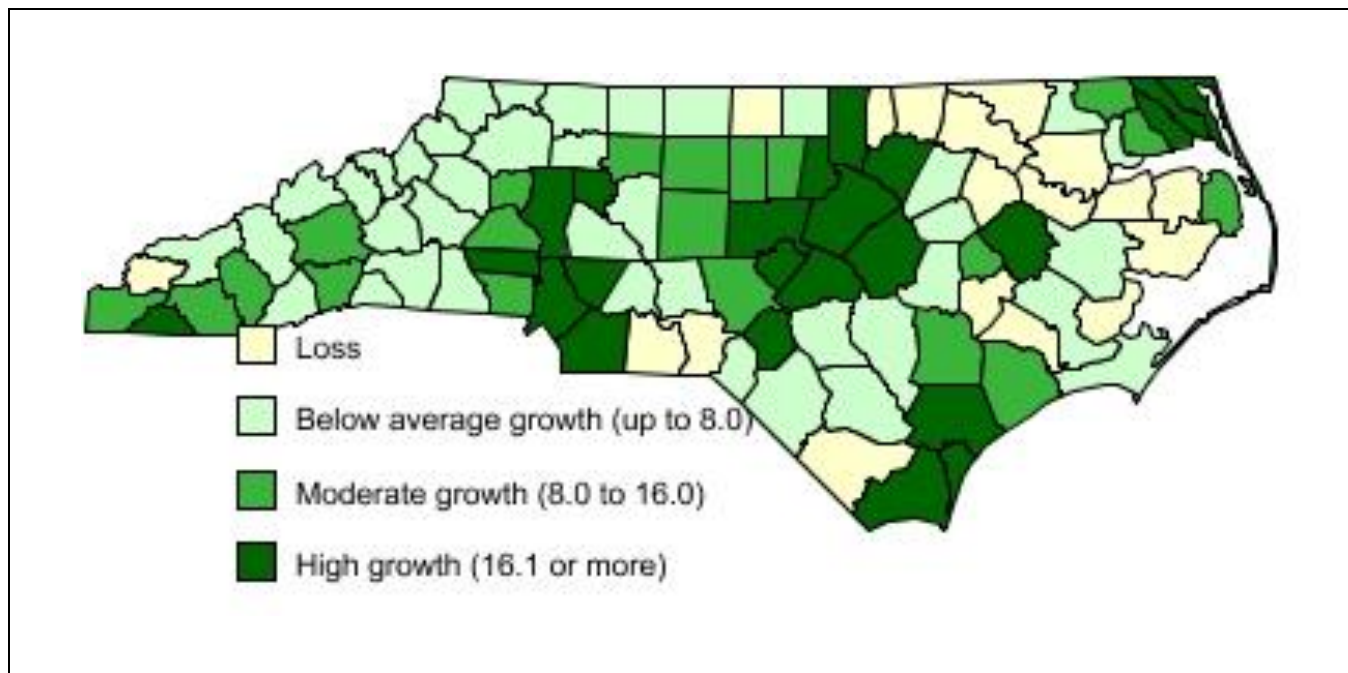


Figure 4. County-Level Population Data for North Carolina. Source: U.S. Census, 2008. USDA Research Service, www.ers.usda.gov/data/population

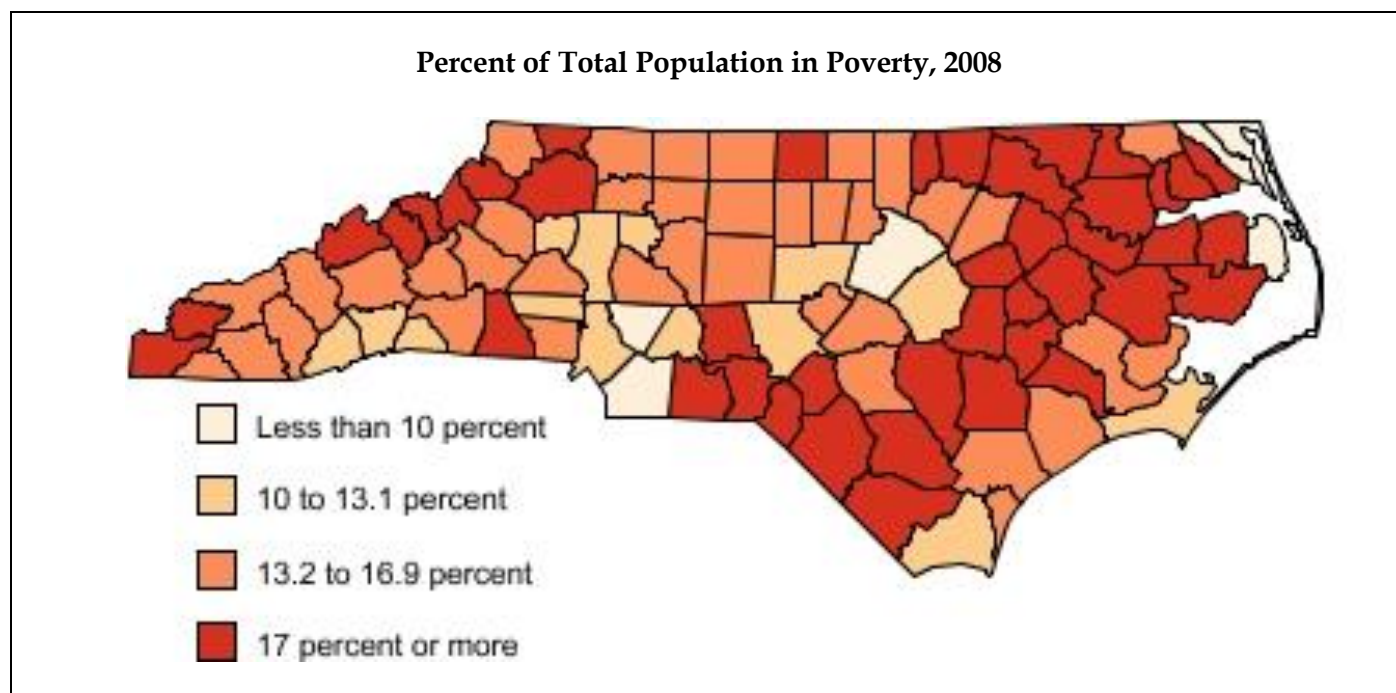
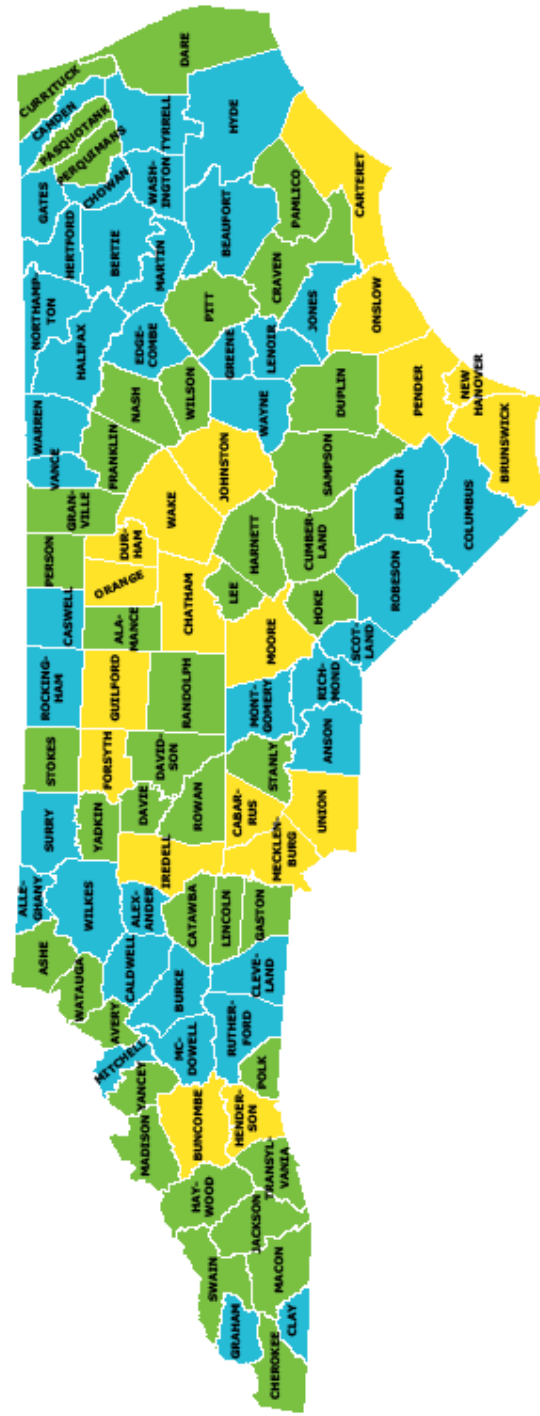


Figure 5. 2008 County-Level Poverty Rates for North Carolina. Source: USDA Economic Research Service, The Economics of Food Farming, Natural Resources, and Rural America, www.ers.usda.gov/data/povertyrates

2010 Article 3J County Tier Designations



2010 Tier Designation

- Tier 1
- Tier 2
- Tier 3



Figure 6. Source: N.C. Department of Commerce, 2010 www.nccommerce.com

Soils

The BRAC Regional Task Force, in cooperation with Sustainable Sandhills, conducted a soil study for Scotland County (Table 1) to determine which land is best suited for agriculture and forestland, and what crops and trees are most appropriate for the land. The study found that most of Scotland County has soil that is highly capable of producing healthy crops, and much of that land currently is being used for agriculture. (Figures 8 and 9)

In addition to looking at soils, the study also considered a number of other criteria that help determine land's suitability for farmland:

- Current land use is cropland with some crops having higher productivity value
- Current land use is cultivated, grasslands or pastures
- Land is not adjacent to a primary road
- Land is not in urban areas based on population density
- Farmland viability based on N.C. Agriculture assessment
- Location is not out of bounds for sustainable farmland (developed land, water bodies, conservation land except preserved farmland or military bases)

Using these criteria, the study determined that highly suitable and moderately suitable farmland is found throughout the county. (Figure 10) Using similar criteria, researchers determined that most of the county is suitable for forests, and a significant portion currently is forested. (Figures 11 and 12)

Another factor considered is the type of trees that grow best in the various soil types. As the maps below indicate, soils throughout the county are suitable for growing loblolly pine. (Figure 13) Soils suitable for longleaf pine are scattered throughout the southern and eastern parts of the county away from wetlands and streams. (Figure 14) There is still an abundance of land suitable for forests that is not currently identified as forestland by the N.C. Division of Forest Resources. (Figure 15)

Soil Type (Areas of Interest)	Acres	Percent of County
Gritney sandy loam, 2-6% slopes	116.5	0.1
Johnston soils, 0-2% slopes, frequently flooded	54.9	0.0
Johns fine sandy loam, 0-2% slopes, rarely flooded	1,971.3	1.0
Kalmia loamy sand, 0-2% slopes	271.5	0.1
Kenansville loamy sand, moderately wet, 0-4% slopes	2,292.6	1/1
Lumbee sandy loam, 0-2% slopes, rarely flooded	1,713.2	0.8
Lynchburg sandy loam, 0-2% slopes	2,181.1	1.1
Miscellaneous water	75.3	0.0
Mantachie soils, 0-2% slopes, rarely flooded	626.8	0.3
McColl loam, 0-1% slopes, ponded	6,445.2	3.1
Maxton loamy sand, 0-2% slopes	200.9	0.1
Noboco loamy sand, 0-2% slopes	10,295.6	5.0
Noboco loamy sand, 2-6% slopes	4,545.3	2.2
Norfolk loamy sand, 0-2% slopes	6,461.7	3.1
Norfolk loamy sand, 2-6% slopes	4,545.3	2.2
Ocilla loamy sand, 0-2% slopes	1,155.9	0.6
Osier loamy sand, 0-2% slopes	664.8	0.3
Pactolas loamy sand, 0-2% slopes	1,109.0	0.5
Pamlico & Johnston soils, 0-1% slopes, frequently flooded	8,017.4	3.9
Pantego loam, 0-2% slopes	506.0	0.2
Pelion loamy sand, 2-6% slopes	5,680.8	2.8
Pelion loamy sand, 6-10% slopes	4,194.3	2.0
Pelion loamy sand, 10-15% slopes	926.9	0.5
Plummer & Osier soils, 0-2% slopes	2,626.8	1.3
Paxville loam, 0-1% slopes, rarely flooded	1,120.5	0.5

Rains fine sandy loam, 0-2%	4,866.0	2.4
Rutledge loamy sand, 0-2%, rarely flooded	3,911.2	1.9
Thursa loamy sand, 0-2% slopes	210.6	0.1
Thursa loamy sand, 2-6% slopes	250.3	0.1
Uchee loamy sand, 6-12% slopes	970.6	0.5
Udorthents, borrow pits	214.5	0.1
Vaocluse loamy sand, 2-8% slopes	358.4	0.2
Water	1,375.0	0.7
Wagram loamy sand, 0-6% slopes	17,643.0	8.6
Wakulla & Candor soils, 0-8% slopes	31,950.0	15.6
Wakulla & Candor soils, 0-8% slopes, moderately wet	3,273.3	1.6
Wakulla-Rimini complex, 0-10% slopes	133.1	0.1
Totals for area of interest	205,336.5	100

Table 1. Source: Websoil Survey, Natural Resource Conservation Service, U.S. Department of Agriculture, 2009.

Detailed Soils, Crop Capability Rating, Scotland County

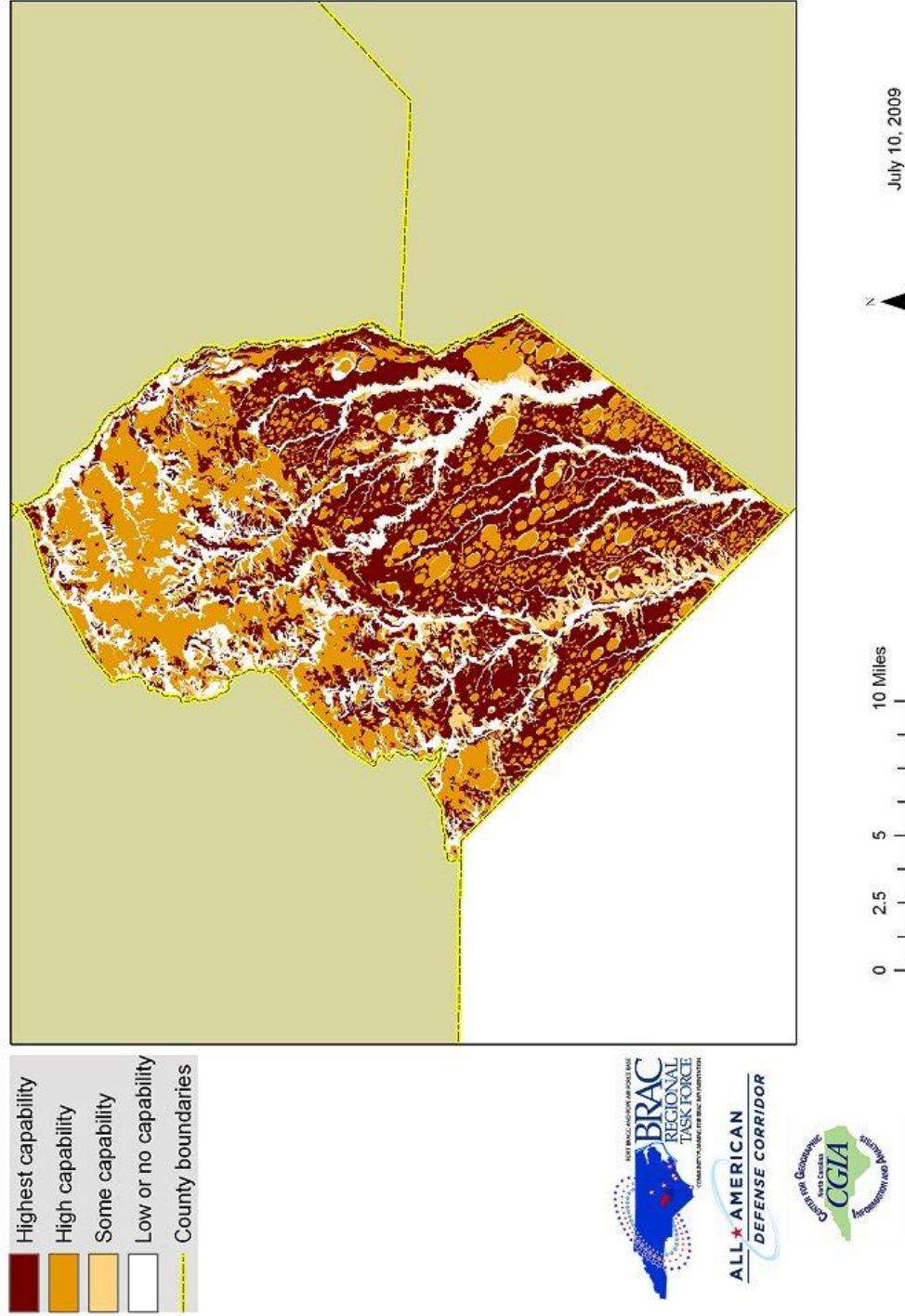


Figure 8. Source: Natural Resources Conservation Service.

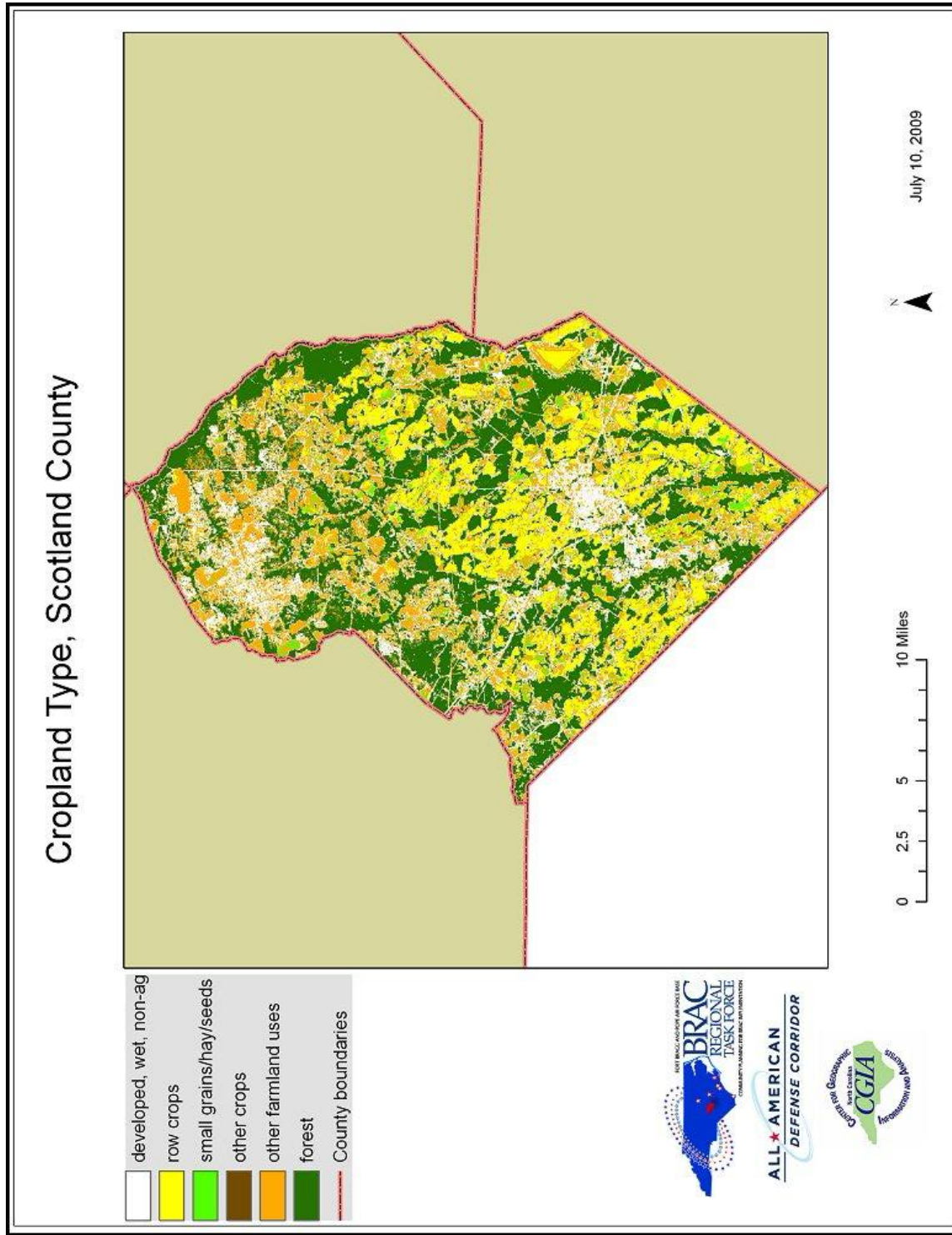


Figure 9. Source: U.S. Department of Agriculture.

Farmland Suitability, Scotland County

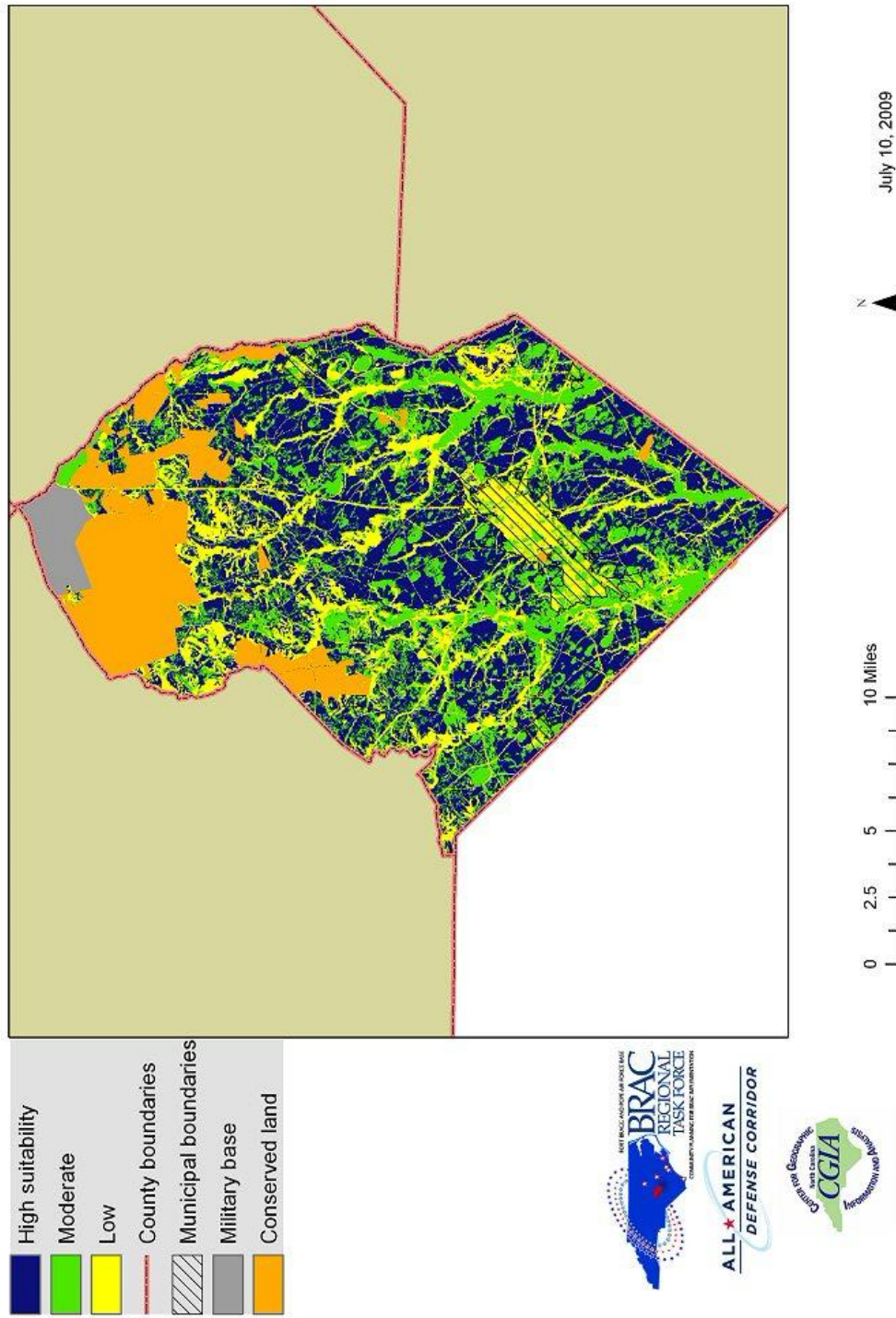


Figure 10. Sources: CGIA, Sustainable Sandhills and BRAC Regional Task Force.

Forestland Suitability Ratings, Scotland County

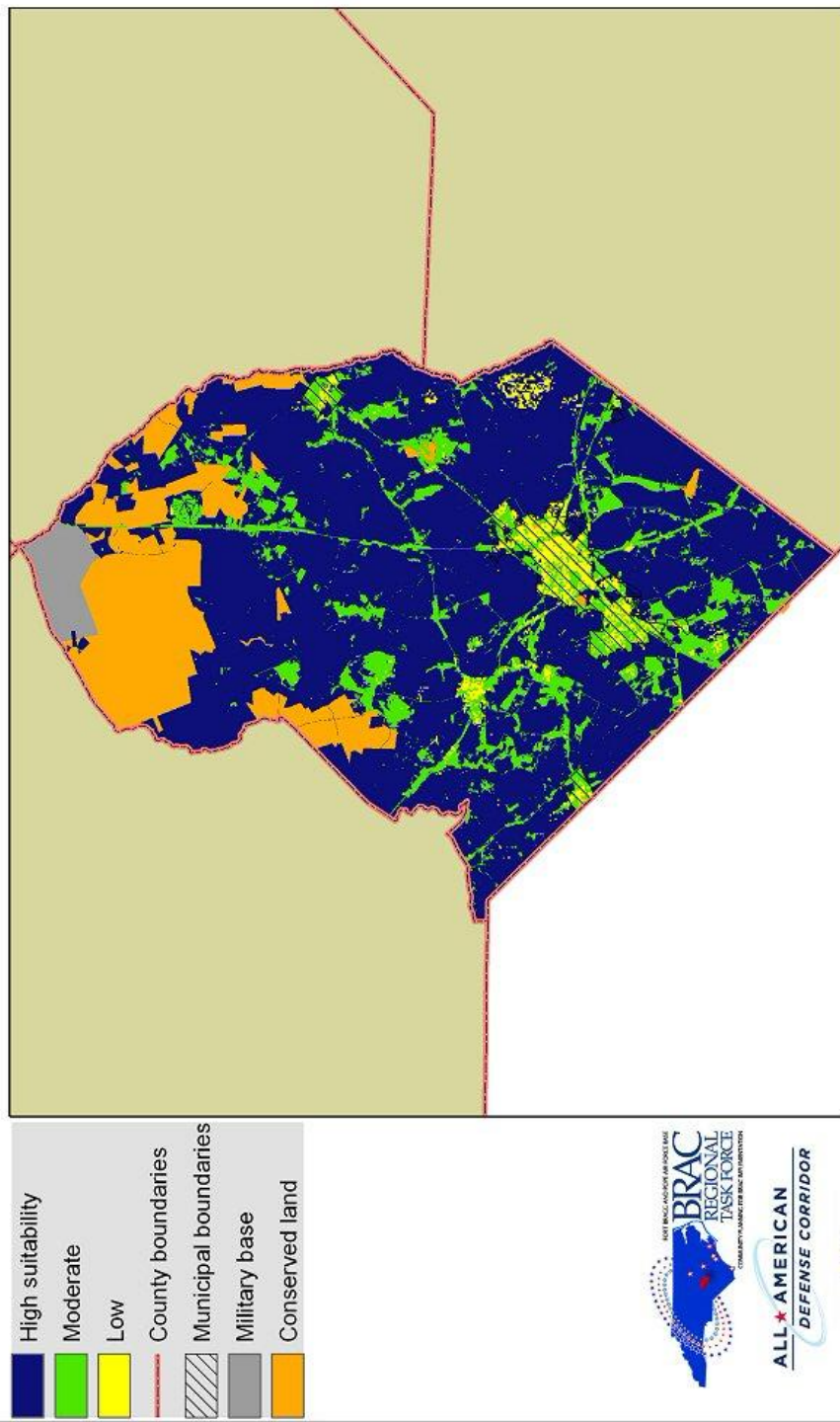


Figure 11. Forestland Suitability Map, Release 2 of Sustainable Sandhills.

Forested Areas from NC Forest Land Assessment, Scotland County

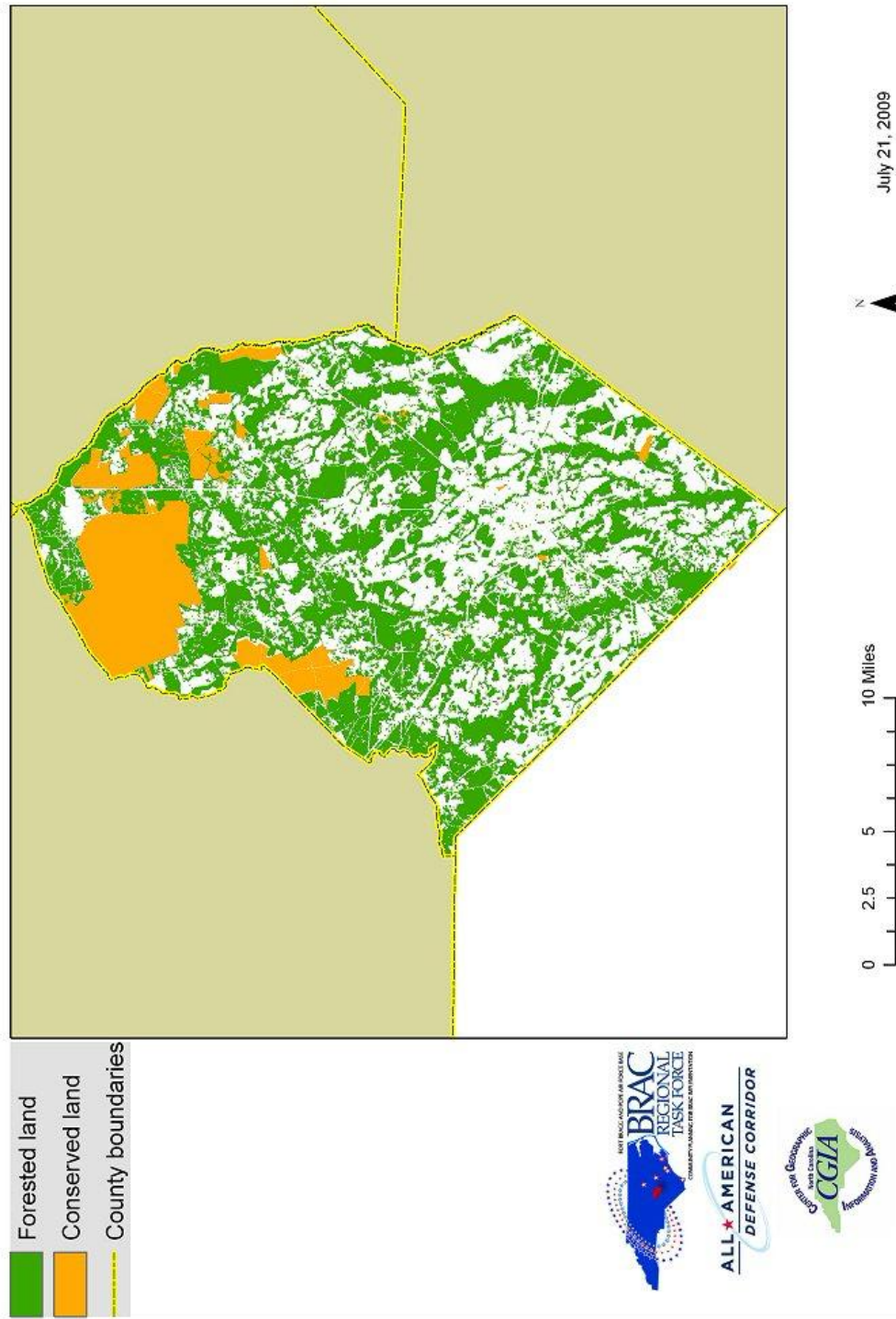


Figure 12. Forestry Land Identified in the N.C. Forestry Land Assessment, 2008.

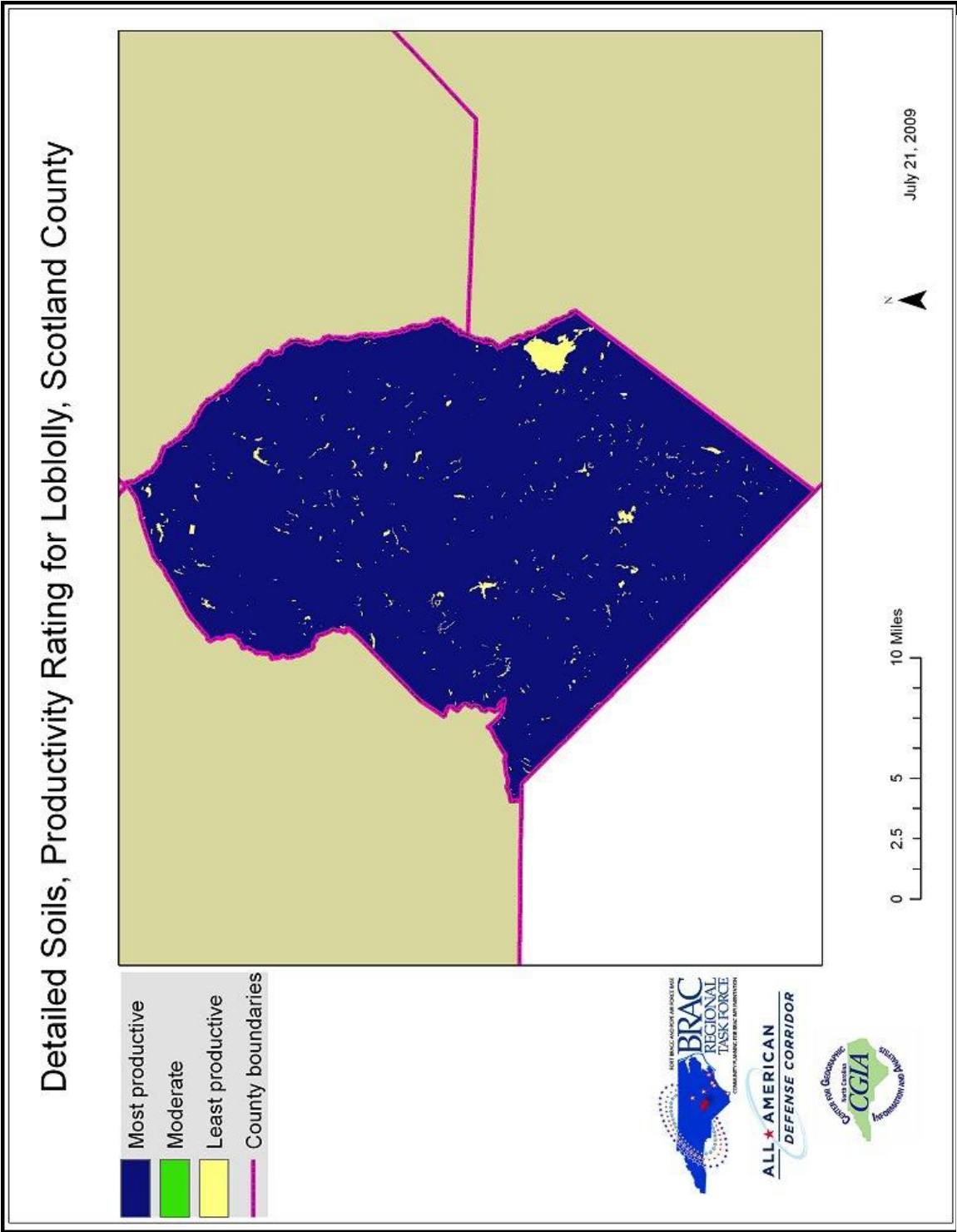


Figure 13. Detailed Soils, Rating Based on Site Index for Loblolly Productivity.

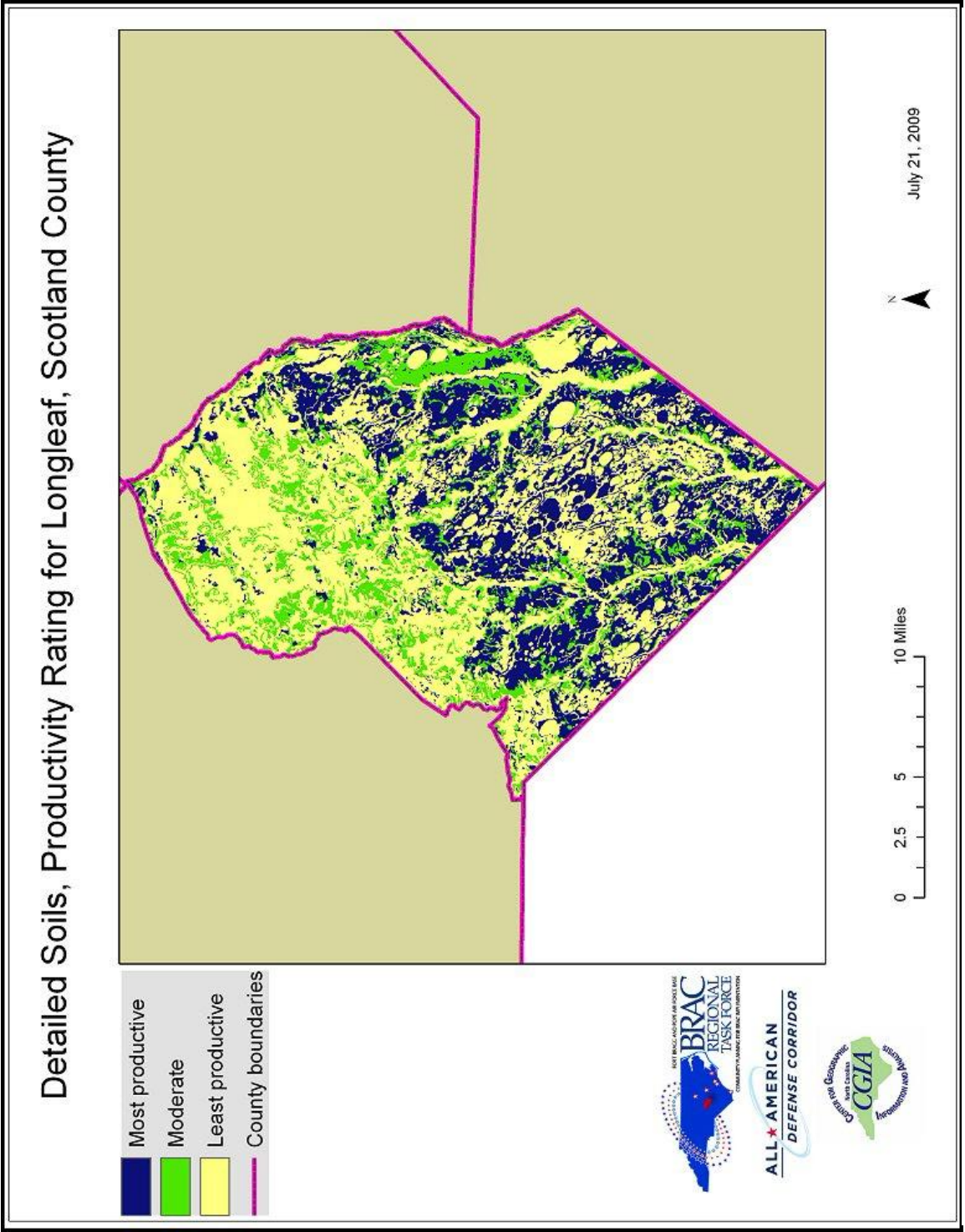


Figure 14. Detailed Soils, Rating Based on Site Index for Longleaf Productivity.

Forestland Suitability Ratings on Non-Forestry Land, Scotland County

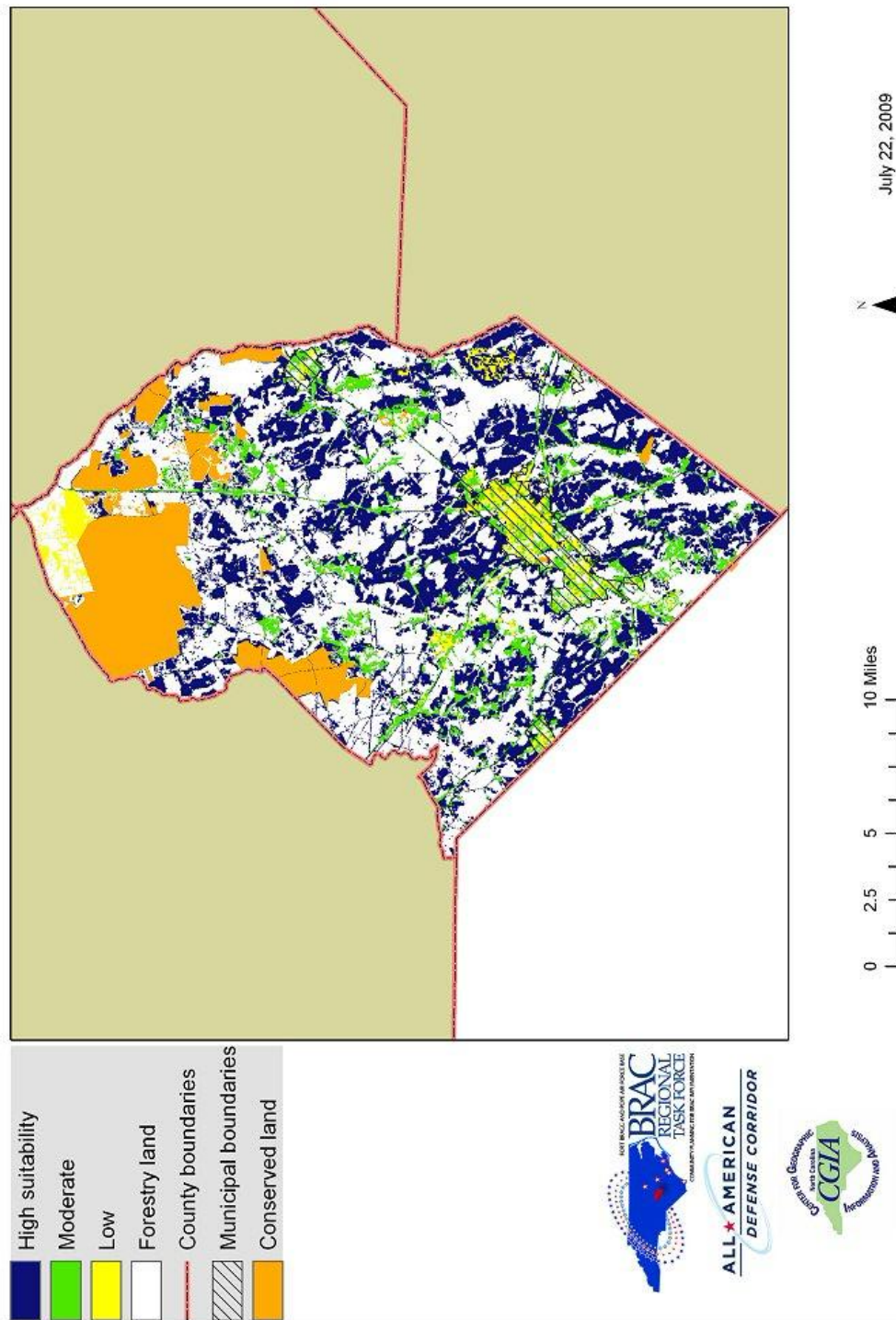


Figure 15. Forestland Suitability Outside of Forestry Areas. Source: CGIA, Division of Forest Resources, and Scotland County.

Economic Impact of Agriculture

According to the 2007 Census of Agriculture, the average age of principal operators in Scotland County was 55.1 years, below the state average of 57.1 years. Most farmers are white (78 percent) and male (85 percent), and more than half (56 percent) say that farming is their primary occupation. The number of black farmers in the county decreased between 2002 and 2007 by 20 percent while the number of Hispanic farmers increased more than threefold. The number of American Indian principal operators stayed steady, while the number of female principal operators nearly doubled between 2002 and 2007. (USDA, Census of Agriculture, 2002, 2007)

In 2006, agriculture and agribusiness comprised about 20 percent of income and employment in North Carolina. For the same year in Scotland County, approximately 21 percent of the county's total employment was in agriculture and agribusiness. The economic impact of agriculture and forestry was about \$209 million or 23.4 percent of the county's total value-added income that year. (Walden, 2006)

In 2007, 55 farms reported labor statistics to the U.S. Department of Agriculture's Census of Agriculture. These 55 farms employed a total of 180 workers with a total payroll of \$2.4 million. About half of the farms employed one worker, and 23 percent employed three or four workers. Only 5 percent employed 10 or more workers. Much of the hired labor was seasonal with more than 47 percent of the farms only hiring workers for less than 150 days a year. Only two farms hired 10 or more workers for less than 150 days. Most (77 percent) of the farms that hired workers for less than 150 days hired one or two employees. Twenty-five percent of the farms only hired workers for more than 150 days a year. Migrant farm labor is minimal in the county, with only one farm reporting the employment of migrant workers in 2007.

Farming related to agriculture and food industries (including crops, livestock, ornamentals and turf) contributed \$73.1 million to the local economy, while manufacturing in that sector (including food and tobacco products and agricultural chemicals) contributed \$3.6 million, and wholesaling and retailing (including food stores and restaurants) contributed about \$24.6 million. ("Value-added" for manufacturing, wholesale and retail is defined as "sales minus the cost of non-labor inputs.") Natural fiber industries including farming (\$6.6 million), manufacturing (\$51 million) and wholesaling and retailing (\$3.65 million) accounted for more than \$61 million in value-added income to the county. (Walden, 2006)

Scotland County experienced a 137 percent increase in the market value of agricultural products sold between 2002 (\$46,603,000) and 2007 (\$110,288,000) with most of the increase (\$62 million) coming from livestock. Scotland County produced nearly 15 million broilers and other meat-type chickens in 2008, making it the 17th highest producer in the state. The county ranked 15th in production of hogs and pigs. The main crops in total acreage in 2007 were soybeans (10,790 acres), cotton (7,763 acres), corn for grain (5,735 acres), wheat for grain (2,537 acres) and forage (1,504 acres). (Figures 16, 17 and 18) (U.S. Census of Agriculture, 2002, 2007)

Average production expenses in 2007 were \$420,371 per farm, and the average net cash farm income was \$172,953. (U.S. Census of Agriculture, 2007)

While North Carolina as a whole lost about 604,000 acres of farmland from 2002 to 2007, Scotland County saw a 13 percent increase in farmland during the same period. Today, farms account for 32 percent of the land in the county or about 65,780 acres. While the total farm acreage increased, the average farm size decreased by 6 percent (from 367 acres to 346 acres) and the number of farms increased by 19 percent to 190 farms in the county. (U.S. Census of Agriculture, 2002, 2007) This trend toward smaller farms in Scotland County is a concern because small farms tend to have more difficulty making a profit and are thus less likely to remain in agricultural use in the long term.

While data is not available on the county level, statewide data from the 2007 Census of Agriculture indicates that farms categorized as limited resource, residential/lifestyle and occupation/lower sales all struggle to be in the black. In 2007, 59 percent of occupation/lower sales farms, 59 percent of retirement farms, 71 percent of residential/lifestyle farms and 65 percent of limited resource farms experienced net losses. In comparison, only 23 percent of farms categorized as occupation/higher sales had net losses for the year. The average net income for the higher sales farms was \$40,124, while lower sales farms realized an average net income of about - \$1,000, and limited resource farms had an average net income of about - \$3,200. (U.S. Census of Agriculture, 2007)

Agricultural land in Scotland County rented for \$34 to \$69 per acre in 2008, depending on the land's productivity. This is a higher rate than six other counties in the BRAC region – Bladen, Hoke, Montgomery, Moore, Richmond and Robeson. (N.C. Department of Agriculture and Consumer Services, www.ncagr.gov/stats/economic/economic.htm)

Cash Receipts: 2007 Total Crops, Livestock and Government Payments

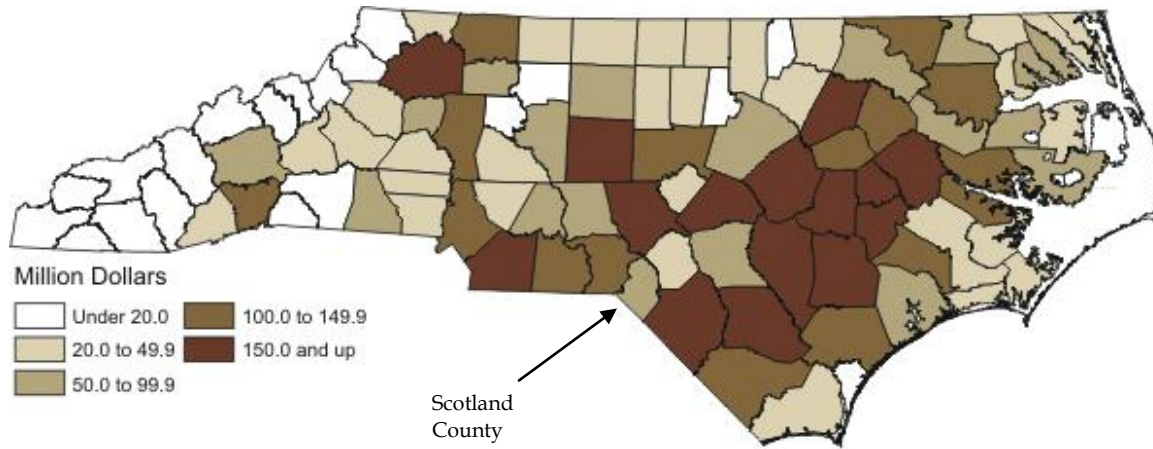


Figure 16. Source: N.C. Department of Agriculture and Consumer Services, www.agr.state.nc.us/stats/economic/cashreceipts/maps

Total Livestock Receipts, 2007

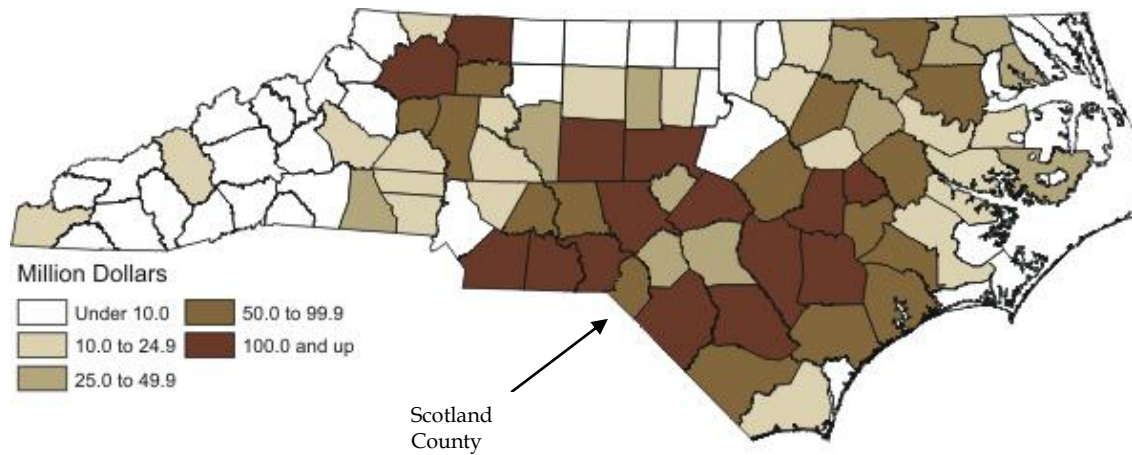


Figure 17. Source: N.C. Department of Agriculture and Consumer Services, www.agr.state.nc.us/stats/economic/cashreceipts/maps

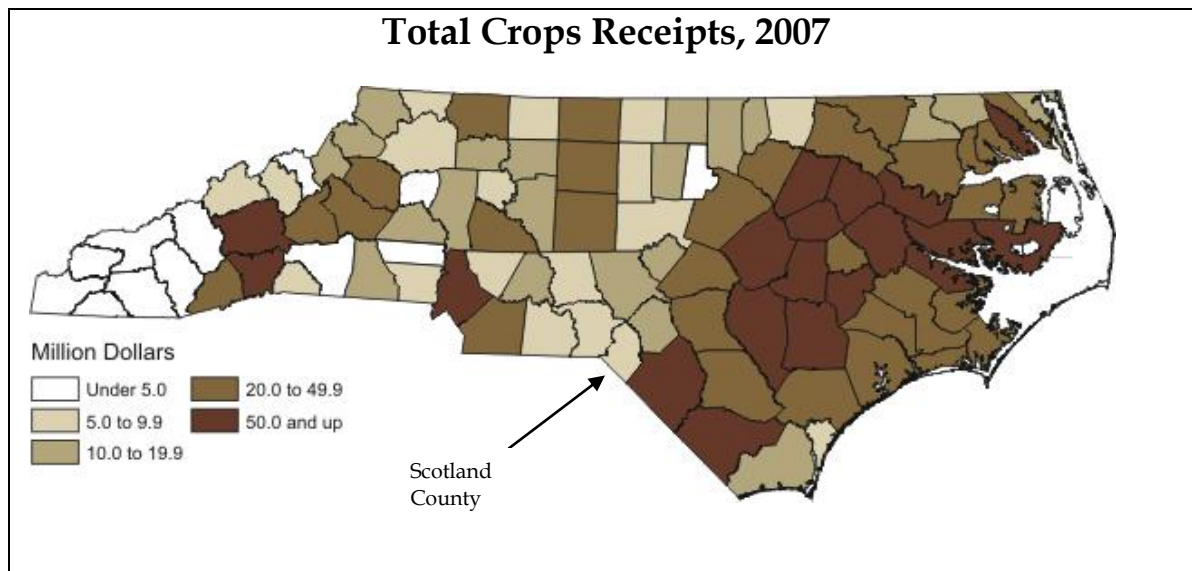


Figure 18. Source: N.C. Department of Agriculture and Consumer Services, www.agr.state.nc.us/stats/economic/cashreceipts/maps

Agritourism

Agritourism – which includes farms that are open to the public for picking fruits or vegetables, educational tours or programs, entertainment, sampling and/or purchasing homegrown or handmade products – is becoming increasingly popular as North Carolinians become more interested in locally grown produce and knowing the source of their food. Scotland County has a number of vegetable stands that sell local produce and three agritourism businesses in operation.

Cypress Bend Vineyards, located outside of Wagram along the Lumber River, opened to the public in 2005. Open daily, it offers tours, a wine tasting room, a retail store, twice-monthly jazz music, an annual Spring Fling Festival, Fall Harvest Festival and Grape Stomp, a Christmas Open House and a venue for weddings, receptions and other social events.

Newton Farms, which is operated on land that has been in the owner's family since granted by the King of England, sells blueberries, blackberries, pine straw, perennials and fresh cut flowers seasonally and by appointment.

Sneads Grove Organic Honeybee and Bat Farm is open the first Saturday of the month and sells fresh produce and nutrition products including organic greenhouse tomatoes, fresh herbs, honey, beeswax products, free-range chickens and eggs. A portion of the proceeds from the business goes to a homeless shelter and outdoor treatment facility.

In 2010, N.C. Cooperative Extension Scotland County Center received a five-year grant from N.C. A&T University to implement a community garden project designed to encourage families to learn to grow their own vegetables and possibly to spark an interest in agriculture and local foods as a career. The community garden, located in Wagram, includes year-round

planting projects. All 24 plots were adopted. Three school gardens also were planted and cultivated through this grant. Another community garden, located in Laurinburg, provides 80 garden plots to local residents interested in growing their own produce. Gardeners commit to donating 10 percent of their yield to a local soup kitchen.

Horticulture

Cooley's Nursery in Wagram sells potted and outdoor plants, herbs and cut flowers. In addition, there are at least two landscaping companies in Scotland County.

Forest Products Industry

North Carolina's forest products industry, the state's largest manufacturing industry in terms of employment and wages, has been seriously affected by the economic decline in recent years. Statewide, employment in this sector has declined by nearly 20,400 jobs since 2007, and the value of shipments has decreased by \$1.1 billion. Most of the losses have occurred in furniture manufacturing. (N.C. State University, College of Natural Resources, 2010)

Because non-manufacturing agricultural and forestry operations are not required to report employment and wage information, these numbers are difficult, if not impossible, to ascertain, particularly on a county level. The information that is available for the forest products industry indicates a steep decline in employment in this sector in recent years. In 2007, the most recent year for which data are available, there were four wood product manufacturing facilities in the county employing a total of 299 people. This is down from 429 employees at four facilities in 2006 and 624 employees at seven facilities in 2004. The average weekly wages for these employees in 2007 was \$604, about \$50 less than the state average for similar jobs. The average hourly wage for fallers and logging equipment operators in 2009 was \$14.20. (The Employment Security Commission of North Carolina, www.ncesc.com) Local forestry professionals question these employment numbers and think that forest products industry employment is actually much lower than the Employment Security Commission reports.

According to the N.C. Division of Forest Resources, 81 consulting foresters work in Scotland County, but only one of the consulting businesses is based in the county. There are 26 companies that buy timber in the county, two of which have offices there. Timber buyers include a fiberboard plant, pallet manufacturer, pulp and paper mills, sawmills and wood dealers. (Brown, 2002)

To understand the full impact of the forest products industry on employment in the area, statisticians use a multiplier of 2.64 within a 50-mile radius of paper manufacturers and sawmills and within 10 to 15 miles of cabinet manufacturers. This calculation produces an estimate of 789 jobs dependent on the industry in some way. Related jobs include specialty suppliers who provide non-wood materials such as glue, chemicals and hinges for production, as well as local restaurants and retail stores. While the value of shipments for the forest products industry is suppressed in Scotland County for the reasons stated above, its economic benefit is 1.6 times that amount for a 50-mile radius. When one takes into consideration that the

Domtar paper mill in Bennettsville, S.C., is within that radius, the economic benefit is significant. (N.C. State University, College of Natural Resources, 2010)

The forest products industry accounted for \$46.4 million in value-added income for Scotland County in 2006. (Walden, 2006)

In 2009, landowners were paid \$3.47 million for their standing timber. The price paid to timber buyers when they delivered the wood to the mill was \$6.13 million. (Jeuck and Bardon, 2009)

Despite its decline, the forest products industry still contributes substantially to the region's economy. Equally important are forestry's contributions to the environment. Clean water, clean air, wildlife habitat and outdoor recreation are important benefits of well-managed forests.

Forest Land

About 63 percent of Scotland County, or 132,616 acres, is forested. (U.S. Forest Service Inventory and Analysis Data 2006) While the state owns about 22,000 acres of this forestland and the forest industry owns a little more than 5,000 acres, most of the timberland (81 percent) is private non-industrial land. (N.C. Division of Forest Resources, www.dfr.state.nc.us)

With the decline in the housing, paper and furniture industries and the closure of a number of forest products companies in the state, the demand and price for timber is down. In the southeastern part of the state, where, even in the best of times, prices tend to be lower than in other parts of the state because of lack of competition, sawtimber prices are down 30 to 40 percent from their peak in 2006. (N.C. State University, College of Natural Resources, 2010) This decline in price and markets affects timberland owners' ability to sell their products and puts more pressure on them to sell their land for development. In combination with a predicted growth in population, this lack of markets could make it more likely that land in the area will be developed.

In fact, throughout much of North Carolina, forests are becoming more fragmented because of development and expansion of infrastructure, particularly transportation and utility. This is a concern not only because it represents a net loss of forestland but also because smaller tracts are less likely to stay forested and are more difficult to manage. (Figure 19)

Another concern regarding forest fragmentation is that houses built in forested areas are more susceptible to wildfire. According to the N.C. Division of Forest Resources, the Sandhills region leads the state in the number of wildfires and acres burned each year because the sandy soil dries out quickly, and the longleaf pine ecosystem is inclined to burn. In 2008-2009, there were 109 wildfires in Scotland County affecting nearly 900 acres. The annual average is 150 wildfires. One important way to control the risk of wildfire is by reducing the fuel on the forest floor through controlled burns. This forest management practice is more difficult on small tracts and near houses because of the risk of structural fire. But in 2008-2009, the Wildlife Resources

Commission, Division of Forest Resources and private landowners did conduct controlled burns on about 10,500 acres in Scotland County.

At present, Scotland County has a significant number of large parcels of forest and farm land, but the Scotland County Branch of Cape Fear Farm Credit is seeing a trend toward smaller parcels in the county. The soil's septic capacity may help limit development and subdivision in rural parts of the county unless sewer service is provided to the area. At present, there are no plans to do so.

Another major concern of landowners is what will happen to their land upon their retirement or death. In a survey of Scotland County agricultural landowners in 2009, most expressed concern about estate taxes, capital gains and other issues related to the transfer of ownership to family members. The same concerns are pertinent to owners of forestland.

Having a forest management plan is an important tool for assuring healthy, productive forests into the future. At present about 30 percent of private, non-industrial forestland is under a management plan, and the N.C. Division of Forest Resources Scotland County writes 70 to 80 management plans each year. (N.C. Division of Forest Resources Scotland County, 2010) At present there is no backlog in requests for management plans. Although research for this report has not found hard data to support the claim, forestry professionals seem to think that having a management plan increases the likelihood that land will stay forested longer.

In 2008-2009, Scotland County landowners planted 500 acres of longleaf pine and 200 acres of loblolly pine. According to the N.C. Division of Forest Resources Scotland County, over the last 12 years the county has seen a trend toward planting longleaf pine, particularly in the Sandhills region. But the economy proves to be an obstacle for reforestation. According to the N.C. Division of Forest Resources Scotland County, landowners often cut their timber as a source of income but then don't have the money to replant their land. Government cost-share programs are essential to continued reforestation, especially in a down economy.

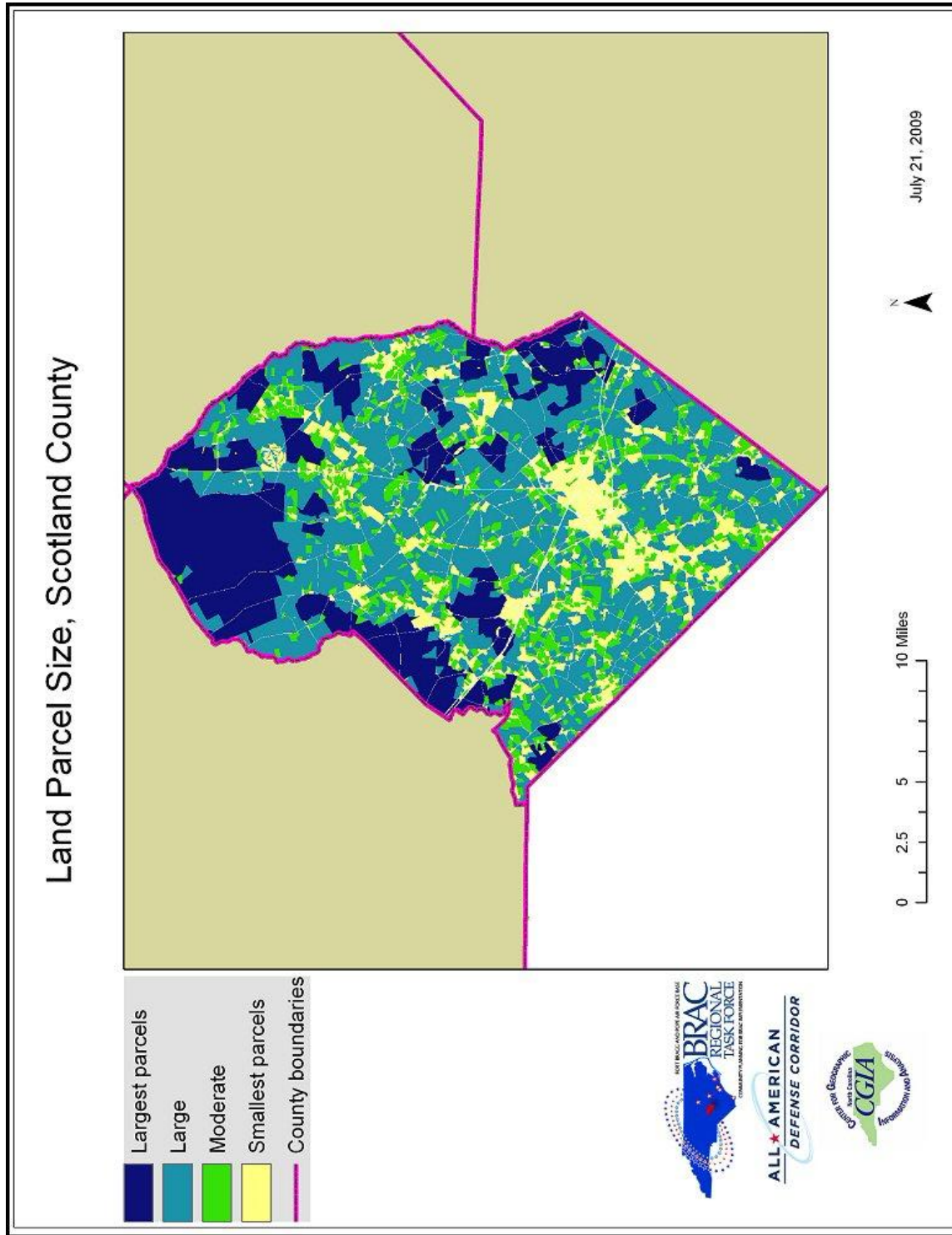


Figure 19. Source: CGIA, Scotland County, 2009

Programs and Resources That Support Working Lands

One of the issues brought to light in a 2009 survey of Scotland County farmers was a low level of awareness of economic resources and financial incentives available to landowners. Only 10 percent of the farmers interviewed have any of their land in a Voluntary Agricultural District (VAD), and only 35 percent are aware of the Enhanced Voluntary Agricultural District program (Enhanced VAD). Only a fourth of the farmers are aware of North Carolina's Agricultural Development and Farmland Preservation Trust Fund, and about a third are aware of Scotland County's Farmland Protection Initiative. While about 70 percent of the farmers know about the agricultural present-use value, only a fourth knows about North Carolina's conservation easement tax credit. Although no data were collected in the survey regarding awareness of cost-share assistance available to forestland owners, it is probably safe to say that the awareness level is comparable. Even though the awareness of these programs is low, there are many landowners who depend on cost-share and technical assistance for managing their working lands. Below is a description of some of the many resources that support agriculture and forestry and are available in Scotland County.

Cost-Share Assistance Programs

Tax law allows landowners to expense up to \$10,000 of reforestation costs in the year the costs are incurred with an accelerated amortization rate of 60 months for the rest of the costs.

Forest Development Program (FDP)

The Forest Development Program provides up to 40 percent of the cost of site preparation. Assistance is also provided for timber stand improvement activities. In 2008-2009, the state's Forest Development Program provided more than \$80,000 for 30 projects in Scotland County including site preparation, planting and timber stand improvement. The program is administered by the N.C. Division of Forest Resources

Conservation Reserve Program (CRP)

The Conservation Reserve Program, which is administered by the Farm Service Agency, is available to qualified cropland and pastureland for management activities that protect water quality by reducing runoff and sedimentation. In 2008-2009 it provided \$1,200 for three projects in Scotland County. The program is administered by the Farm Service Agency

Wildlife Habitat Incentives Program (WHIP)

The Wildlife Habitat Incentives Program, which provides technical and cost-share assistance to improve wildlife habitat on private lands, provided \$28,305 to Scotland County landowners in 2009. The program is administered by the Natural Resources Conservation Service.

Environmental Quality Incentives Program (EQIP)

The Environmental Quality Incentives Program, a conservation program that promotes the compatibility of agricultural production and environmental quality, offers financial and technical assistance to qualified farmers and ranchers to implement conservation practices on agricultural land. In 2009, EQIP provided \$4,635 in forestry assistance and \$46,433 in agricultural assistance in Scotland County. The program is administered by the Natural Resources Conservation Service.

Southern Pine Beetle Prevention Program

The Southern Pine Beetle Prevention Program, a cost-share assistance program established to help prevent outbreaks of the destructive pest, provides up to 70 percent of the cost of pre-commercial thinning to improve the health of pine forests. In fiscal year 2008-2009, the program awarded more than \$32,000 to landowners in Scotland County. The program is administered by the N.C. Division of Forest Resources.

Forest Land Enhancement Program

The Forest Land Enhancement Program (FLEP), a cost-share program available to non-industrial private landowners who own 1,000 acres or less of forested land, pays 75 percent of the landowner's costs related to approved practices such as Stewardship planning, watershed protection, timber management, reforestation, tree planting on land not previously forested, and improvement of fish and wildlife habitat. The program is administered by the USDA Forest Service.

The North Carolina Agricultural Cost Share Program (NCACSP)

The North Carolina Agricultural Cost Share Program was established in 1984 to reduce the number of non-point sources of water pollution on agricultural land by helping farmers implement Best Management Practices (BMPs). In 2009 the Scotland County Soil and Water Conservation District spent more than \$36,500 through the NCACSP. The program is administered by the N.C. Division of Soil and Water Conservation.

Voluntary Agriculture Districts

Scotland County is one of six counties in the BRAC region that currently has a Voluntary Agriculture District (VAD) program. This program recognizes the importance of agriculture to North Carolina's economy, culture and natural heritage, and protects farmland from development. Participating counties have adopted ordinances creating an Agricultural Advisory Board to administer the program. Responsibilities of the board include establishing the agricultural district, advising local governments and holding public hearings on projects that may affect agricultural viability. Among the benefits of VAD designation to qualified landowners are added protection from nuisance suits; a waiver of water and sewer fees; required public hearings for proposed condemnation; eligibility for local, state and federal farmland preservation funds; and having an official voice in local government through the advisory board.

Enhanced Voluntary Agricultural Districts

Scotland County currently is not participating in the Enhanced Voluntary Agricultural Districts program, which includes all the benefits of the VAD program plus conservation agreements between the landowner and the county that prevent development for 10 years and provide eligibility for a higher percentage of cost-share funds (up to 90 percent).

Present-Use Value Tax Program

The present-use value is the value of land, for property tax purposes, based on the land's ability to produce an income through agricultural, horticultural or forestry uses. This generally reduces a landowner's tax burden for qualifying property because the present-use value is usually lower than the market value.

Conservation Easements

A conservation easement is a contract between a landowner and a public agency or qualified conservation organization under which a landowner agrees to keep the land in agriculture and permanently forego the right to develop or subdivide the land. Although there is sometimes grant money to help cover expenses, a landowner can incur significant costs (sometimes up to \$40,000) to establish this type of agreement. However, there are tangible federal and state income tax benefits and the intangible benefit of knowing that the land will stay in agriculture or forestry for generations to come. According to the Laurinburg Branch of Cape Fear Farm Credit, many landowners are leery of conservation easements either because they don't understand them or because the agreements restrict a landowner's access to the land as collateral for a loan.

Term Conservation Easements

Term Conservation Easements are similar to Conservation Easements but do not continue in perpetuity.

Farm Transition Planning

The North Carolina Farm Transition Network (<http://www.ncftn.org>) works with professionals and organizations to help landowners plan how to transfer their farmland and assets to the next generation, increasing the likelihood that the land will stay in agricultural or forestry production.

Right to Practice Forestry and Right to Farm

N.C. law limits the ability of local government to regulate forestry activities as long as the land is under the use-value tax program and is operated under a forest management plan. N.C. law also protects farm and forestry operations that have been in operation for at least one year and are properly managed from being declared a nuisance.

New Markets

The Biofuels Center of North Carolina, which is funded by the N.C. Legislature, has set a goal of replacing 10 percent of the state's liquid fuel consumption with fuel produced in state with locally-grown biomass by the year 2017. The most likely feedstock is trees because there is currently an abundance of woody biomass in the state. Energy grasses, such as miscanthus and switchgrass, also show potential and can be grown between rows of trees in a plantation, providing income for landowners in the years prior to harvesting timber. According to the N.C. State University College of Natural Resources, processing facilities will most likely be located where the wood resource is most abundant or near a pulp/paper mill, which uses similar raw material. The location of the processing facilities will impact the value of the raw material.

N.C. law requires electric utilities to use renewable resources to meet 3 percent of their retail electricity demand by 2012 and 12.5 percent by 2021. Biomass resources that may play a role in meeting these requirements include agricultural waste, animal waste, wood waste, spent pulping liquors and energy crops. (N.C. Utilities Commission, www.ncuc.commerce.state.nc.us)

An expanding market for agriculture products is the "buy local food" movement. Many restaurants and grocery stores are now offering locally grown produce and promoting local produce as healthier and better for the environment. In the BRAC region, Robeson and Bladen counties currently are participating in The Southeastern North Carolina Food Systems Project, which is working to increase the sale of local produce, expand farm employment and profitability, expand local and regional markets, increase institutional buying, promote niche markets and educate the public about the benefits of buying local foods. A similar effort possibly could be established in Scotland County and other counties through a cooperative effort of local producers, agencies and institutions.

County Surveys

(All survey information is from the Scotland County Producer Survey, Agricultural Business Survey and Non-Farm Survey conducted in 2009. The surveys present a snapshot of agriculture in Scotland County but are not necessarily representative of all producers in the county.)

A recent survey of Scotland County farmers, agribusinesses and non-farmer residents showed strong support for agriculture in the community. Non-farmers overwhelmingly think that agriculture should be encouraged to expand in the county (88 percent) and that the county should take steps to preserve farmland (93 percent). They also support local government funding for farmland preservation (86 percent), tax breaks for farmers (more than 90 percent), and loans and grants to develop local farm enterprises (more than 90 percent).

While two-thirds of the non-farmers interviewed cited odors as their most common complaint about farms and one-third cited slow-moving vehicles, 87 percent still think that farmers are good neighbors. Interestingly, more than half of the farmers surveyed (62 percent) have had problems with neighbors regarding farming operations but for reasons different from those reported by the non-farmers. About three-fourths of the farmers who have had neighbor problems have had disputes over property lines and trespassing. More than half (60 percent) have had trouble with dumping and littering, and about a third have had complaints about manure application. The farmers reported that 41 percent of the complaints were resolved through compromise, and half of the problems remain unresolved.

Because most county residents (80 percent) have lived near a farm or timber operation at some point and 60 percent currently live within a quarter mile of one, they are knowledgeable about agriculture and its importance to the community. Non-farmers say that they are willing to spend more for locally grown or North Carolina grown food and for food produced on a known family farm. Nearly all of the residents interviewed (92 percent) buy produce from fruit and vegetable stands, and from stores that feature local produce (83 percent). Nearly two-thirds (62 percent) have patronized a U-pick fruit or vegetable operation, and 81 percent have visited a farm or timber operation in the last year. Most think that farms are an asset to the environment and natural beauty of the region.

As county residents recognize, agriculture continues to play an important role in the local economy. Most farmers (71 percent) reported that they buy half or more of their materials, supplies and services for their farms from businesses within the county (Figure 20). Half of the agribusinesses surveyed reported that 75 percent to 100 percent of their business comes from farmers and that half to three-fourths of their customers are from Scotland County. But they have noticed a change in the agricultural operations they serve. They are now seeing more sophisticated farm operations, diversification in farming, part-time farmers and small operations.

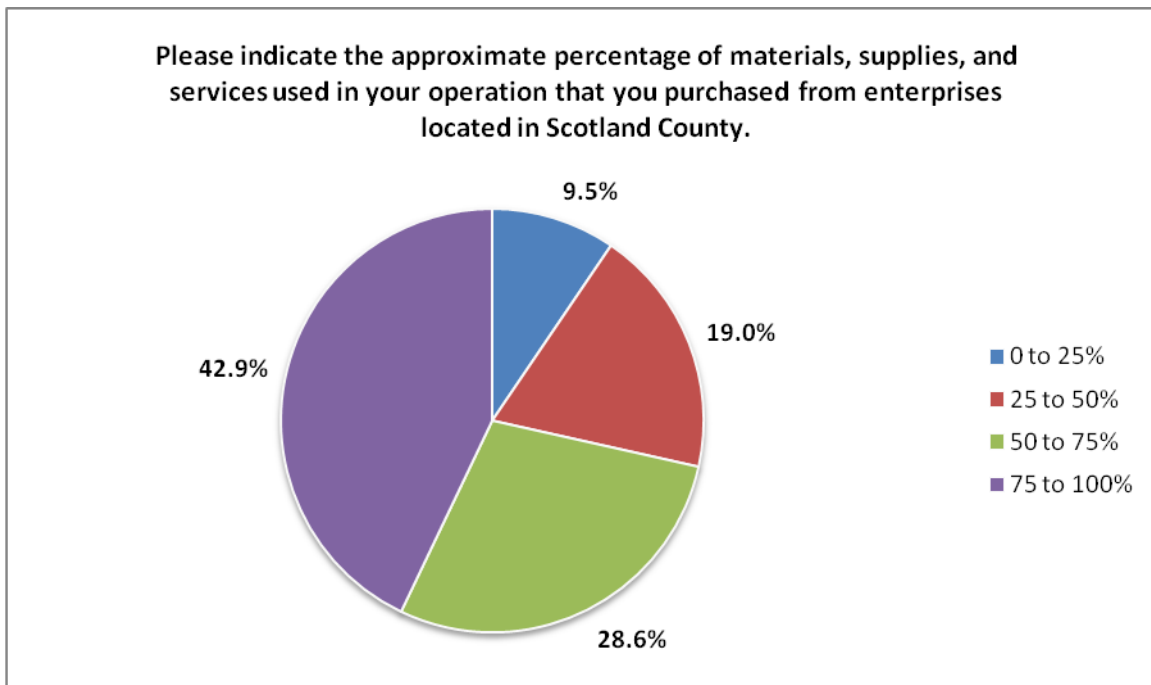


Figure 20. Scotland County Farmer Survey, 2009

The health of agribusiness in the county is mixed. Half of the agribusinesses said that their sales, profits and number of customers have increased over the past five years, and half have seen a decrease in these measurements. Half are optimistic that they will see their numbers improve in the next five years. None expect their business to decrease.

Agribusiness owners think that government support and disaster relief payments, conservation cost-share programs, right to farm laws, agriculture district maintenance and expansion, farm and land values, and access to support for businesses are very important to the viability of agriculture (75 percent). In addition, all of the agribusinesses ranked income tax, capital gains tax and estate tax reform as very important, and are concerned about present-use value taxation, estate planning for farm transition, reducing property, liability and health insurance costs.

When asked about marketing and consumer awareness of agricultural products, all of the agribusinesses ranked as very important or somewhat important direct marketing of products, development of new products and markets, commodity market education, consumer “buy local” education, youth agricultural education, farm neighbor education and product liability education.

While there is strong local support for agriculture among county residents and agribusinesses, farmers still have concerns about the viability of their profession in the future. Obstacles to keeping their land in agriculture are farm profitability and property taxes (Figure 21). Like agribusinesses in the community, farmers’ greatest concerns about farm management and taxation are income tax reform, capital gains and estate tax reform, estate planning for farm

transition, present-use value and taxation, reducing health insurance costs, and understanding risk and risk management.

Although the average age of farmers in Scotland County is 55 years, more than half expect to continue farming for 20 years or more (Figure 22).

When they do retire, most farmers plan to transfer ownership of their farms to family members for continued agricultural use (Figure 23). Their biggest concerns with transfer of ownership are estate planning, estate taxes, capital gains and income taxes.

One of the issues brought to light with this survey was a low level of awareness of economic resources and financial incentives available to farmers. Only 10 percent of the farmers interviewed have any of their land in a Voluntary Agricultural District (VAD), and only 35 percent are aware of the Enhanced Voluntary Agricultural District program (Enhanced VAD). Only a fourth of the farmers are aware of North Carolina's Agricultural Development and Farmland Preservation Trust Fund, and about a third are aware of Scotland County's Farmland Protection Initiative. While about 70 percent of the farmers know about the agricultural present-use value, only a fourth knows about North Carolina's conservation easement tax credit.

While most are full-time farmers (77 percent), only 42 percent of farmers get three-fourths or more of their income from farming.

Most appear optimistic about their businesses in the near future. Over the next five years, about half of the farmers surveyed expect to purchase additional acres (47.6 percent) or rent additional acres (52.4 percent). About two-thirds (62 percent) expect to purchase additional equipment, and more than a third anticipate constructing new buildings (38 percent). Nearly half (47.6 percent) expect to diversify into additional farm ventures. No information is available on what these ventures might be. On another positive note, 75 percent of farmers indicate that they have been able to obtain financing for development or expansion of their business without difficulty, and more than 90 percent said that they are able to get reasonable terms from lenders.

With regard to marketing, more than half (60 percent) sell produce to cooperatives or food processors; half sell through auction, to a broker, dealer or third party; and just over half (55 percent) sell directly to consumers. Very few (10 percent) sell directly to the government, military or schools.

A significant number of farmers (44 percent) indicated that they would like assistance with direct marketing, particularly with product distribution and establishing an internet presence. They also would like to have more training (in order of importance) in woodlot management, pesticide management, nutrient management, conservation best management and environmental management.

The most commonly cited sources of information were the N.C. Cooperative Extension Service (95 percent), other farmers (59 percent), magazines and newspapers (59 percent) and the U.S. Department of Agriculture (54 percent).

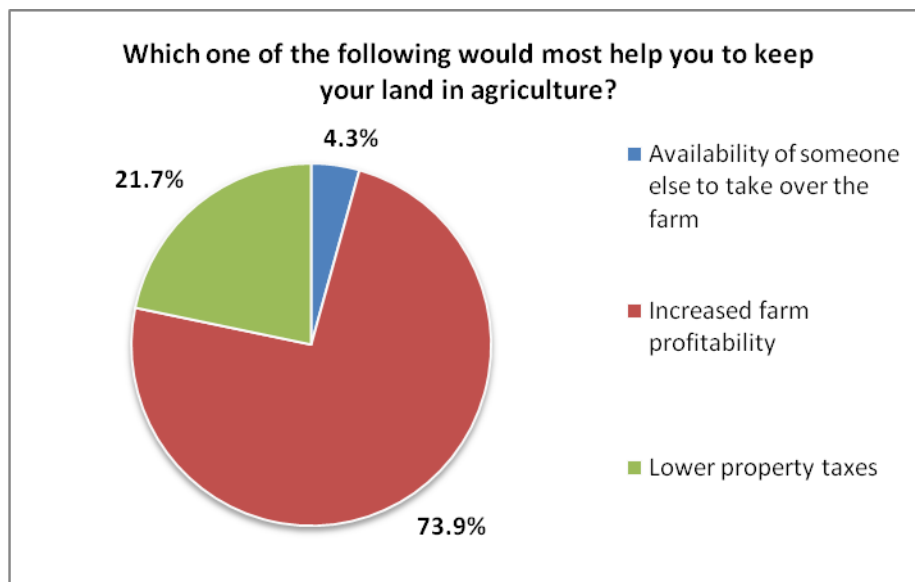


Figure 21. Scotland County Farmer Survey, 2009

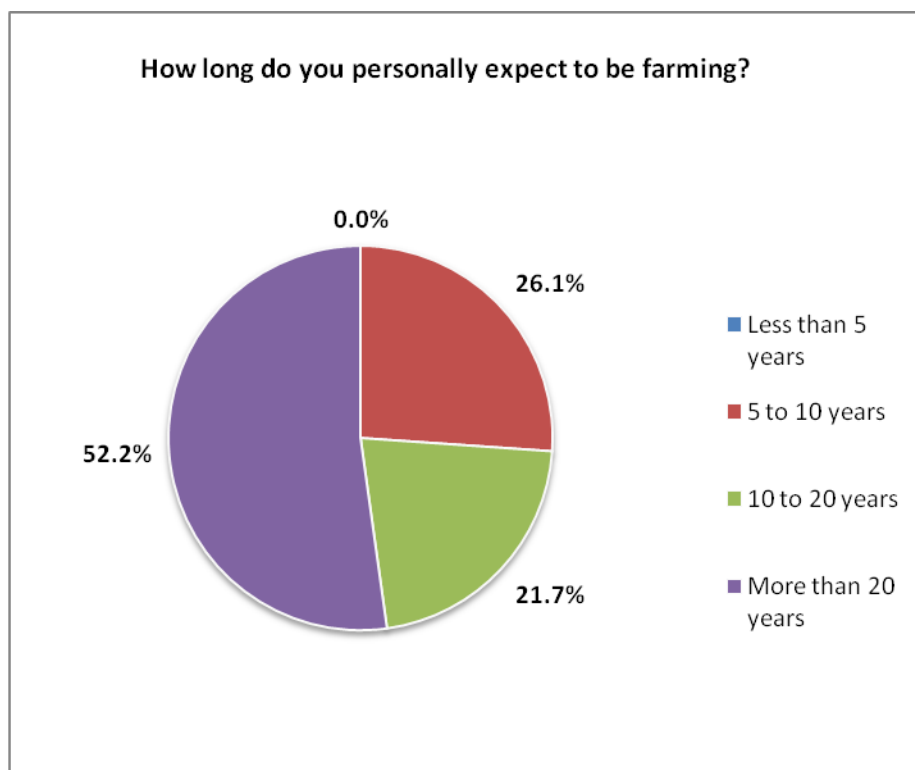


Figure 22. Scotland County Farmer Survey, 2009

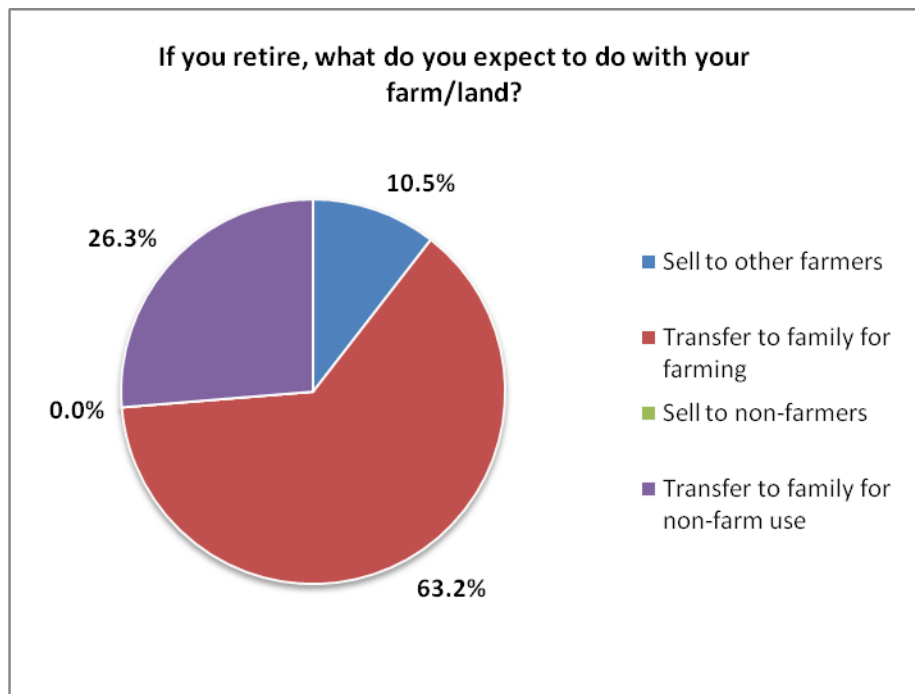


Figure 23. Scotland County Farmer Survey, 2009

Recommendations

This Working Lands Protection Plan provides an overview of the current state of agriculture and forestry in Scotland County and outlines the challenges and opportunities landowners face in the coming years. After careful thought and consideration, the committee charged with producing this plan has put together a list of recommendations for local leaders on how best to support the community's agricultural and forestry interests and how to assure their economic viability going forward. While not exhaustive, this list addresses many of the areas of concern and opportunity that landowners, natural resource professionals and the general public noted. The committee encourages the adoption of these recommendations and strategies so that Scotland County can plan for growth in ways that support rather than undercut the area's working lands.

Adopt the Working Lands Protection Plan as Scotland County policy.

The Voluntary Agricultural District Advisory Board should seek formal adoption of this Working Lands Protection Plan by the Scotland County Commissioners and see that it is incorporated into all county land-use plans. Implementation will require cooperation among all county departments and funding from state and local sources.

Implementation Responsibility

Scotland County Voluntary Agricultural District Advisory Board, Scotland County Planning Department, N.C. Cooperative Extension Scotland County Center, USDA Natural Resource Conservation Service, Scotland County Farm Bureau, Scotland County Soil and Water Conservation District, and other agencies as needed.

Timeline:

The Scotland County Commissioners should adopt the Working Lands Protection Plan no later than December 31, 2010 and then begin incorporating it into all their county land-use plans.

Hire a county agriculture extension agent.

Nearly all (95 percent) of the farmers in Scotland County indicated that their main source of information is the N.C. Cooperative Extension, yet, the community has been without an agriculture extension agent since November 2009. The position has been posted twice during that time, and Extension is currently interviewing a viable pool of candidates to fill the position. Based on N.C. Cooperative Extension's Needs Assessment, this position is critical to the preservation and expansion of the agriculture base in the county.

Implementation Responsibility

Scotland County Manager, N.C Cooperative Extension Scotland County Center Agriculture Extension Director, the Scotland County Board of County Commissioners, N.C. State University

Timeline

The position should be filled by December 1, 2010.

Develop a “Lease of Development Rights” ordinance for land identified as “critically important” or “important” in the Joint Land Use Study.

Scotland County should consider adoption of a lease of development rights ordinance similar to the one adopted by Cumberland County and recommended by the Joint Land Use Study (JLUS) in 2008. Such an ordinance would allow owners of qualified land to enter an agreement with the county whereby the county leases the development rights for a stated period of time in exchange for payment equivalent to the amount that would be due in property taxes. A copy of the Cumberland County ordinance is attached in the Appendix.

Implementation Responsibility

N.C. Cooperative Extension Scotland County Center, Scotland County Soil and Water Conservation District, N.C. Division of Forest Resources Scotland County, Sustainable Sandhills, Regional Land-Use Advisory Commission (RLUAC), Scotland County Farm Bureau, Scotland County Tax Office, Scotland County Planning Department, Scotland County Board of Commissioners

Timeline

The county government should adopt the lease of development rights ordinance by December 2010 and fund the process in the annual budget for 2011. Landowners in the areas deemed “critically important” or “important” should begin to be identified in the winter of 2011. All qualified landowners should be identified, contacted and informed about the program by January 2012.

Expand participation in the Voluntary Agriculture District program.

Only 10 percent of farmers have any of their land in a Voluntary Agricultural District, and only 35 percent are aware of the Enhanced Voluntary Agricultural District program. Landowners need to be informed about the benefits of enrolling in the program including protection from nuisance suits; a waiver of water and sewer fees; required public hearings for proposed condemnation; eligibility for local, state and federal farmland preservation funds; and having an official voice in local government through the advisory board.

Implementation Responsibility

Scotland County Voluntary Agricultural District Advisory Board, Scotland County Planning Department, N.C. Cooperative Extension Scotland County Center, USDA Natural Resource Conservation Service, Scotland County Farm Bureau, Scotland County Soil and Water Conservation District, and other agencies as needed.

Timeline

Upon adoption of the Working Lands Protection Plan, county teams should begin reviewing tax records to identify landowners who might qualify for the VAD program. In the winter of 2011,

county teams should plan workshops to educate landowners about VAD. Workshops should be held in 2011 and 2012. By 2013, 35 percent of the qualified agricultural land should be enrolled in the program.

Adopt the Enhanced Voluntary Agricultural District Program.

Scotland County currently is not participating in the Enhanced Voluntary Agricultural District program, which includes all the benefits of the VAD program plus conservation agreements between the landowner and the county that prevent development for 10 years and provide eligibility for a higher percentage of cost-share funds. The county should adopt this program and inform landowners of their eligibility and the program's benefits.

Implementation Responsibility

Scotland County Voluntary Agricultural District Advisory Board, Scotland County Planning Department, N.C. Cooperative Extension Scotland County Center, USDA Natural Resource Conservation Service, Scotland County Farm Bureau, Scotland County Soil and Water Conservation District, and other agencies as needed.

Timeline

County commissioners should adopt the Enhanced Voluntary Agricultural District Program by December 2013. County teams should begin planning educational workshops in the winter of 2014 for implementation in 2014 and 2015. By 2015, 20 percent of qualified agricultural land should be enrolled in the program.

Educate landowners about available financial and technical resources.

The survey conducted for this report found that landowners were unaware of many of the financial and technical assistance programs available to them and that few of them had land enrolled in programs for which they qualified. Local agriculture and forestry professionals have an opportunity to educate them about ways they can access funds to enhance their land and/or business.

Implementation Responsibility

N.C. Division of Forest Resources Scotland County, N.C. Cooperative Extension Scotland County Center, Scotland County Soil and Water Conservation, N.C. Wildlife Resources Commission, N.C. Farm Bureau, USDA Farm Service Agency and other organizations

Timeline

County teams should plan landowner workshops and develop or obtain informational literature by December 2011. Workshops should be offered and literature should be distributed in 2012 with a goal of reaching 25 percent of landowners by the end of 2012.

Support county land-use policies and programs that are supportive of agriculture and forestry.

- Adopt the Scotland County Working Lands Protection Plan and reference it in all county and municipal land-use planning.
- Encourage development on less productive land, and discourage development in more productive areas.
- Support agriculture through zoning, subdivision regulations and county land-use plans.
- Consider the potential impact on agricultural and forestry operations when determining utility placement as infrastructure needs increase.

Implementation Responsibility

Scotland County Planning Department, Scotland Soil and Water Conservation District, N.C. Cooperative Extension Scotland County Center, Scotland County Voluntary Agricultural District Advisory Board, N.C. Division of Forest Resources Scotland County, N.C. Department of Agriculture and Consumer Services, USDA Natural Resource Conservation District, USDA Farm Service Agency

Timeline

This should begin immediately upon adoption of the Working Lands Protection Plan in December 2010.

Continue the cooperative relationship with other counties and municipalities that draw from the Black Creek Aquifer to assure that sufficient high-quality water is available for future agricultural, industrial and population growth.

Implementation Responsibility

Lumber River Council of Governments, Scotland County Board of Commissioners, mayors and city council members, city managers

Timeline

This cooperative relationship should be maintained.

Implement a “Buy Local” campaign.

Encourage more retailers to buy local produce, and educate the public about the many benefits of buying local produce including:

- Contributing to the local economy
- Fresher, healthier food
- Less negative impact on the environment
- Knowledge of where your food comes from.

Information on a similar program can be found at the Appalachian Sustainable Agriculture Project website. (<http://www.asapconnections.org/whybuylocal.html>)

Implementation Responsibility

N.C. Cooperative Extension Scotland County Center, Laurinburg/Scotland County Chamber of Commerce, local economic development officials, local farmers, local retailers

Timeline

Development of the Buy Local campaign should begin upon adoption of the Working Lands Protection Plan in December 2010. The plan should be implemented by 2012 and continue through 2016.

Increase the number of acres that are under an active forest management plan.

Because private-non-industrial landowners own 81 percent of the forestland in the county, the management decisions they make have a widespread and long-term effect on the local environment and economy. It is important to educate landowners about the benefits of having a management plan including tax breaks, qualification for cost-share and technical assistance, increased forest productivity and profitability, enhanced wildlife habitat, aesthetic beauty, clean water and improved recreational opportunities.

Implementation Responsibility

N.C. Division of Forest Resources Scotland County, consulting foresters

Timeline

Local forestry professionals should begin identifying and contacting forest landowners in January 2011 to educate them about the importance and benefits of having forest management plans. By 2015, half of the county's forestland should be under a management plan.

Establish a local forestry association for educational programs, advocacy and a sense of community among forest landowners and forestry professionals.

Also encourage membership in forestry organizations such as N.C. Woodlands, the N.C. Forestry Association and the N.C. Tree Farm Program that represent landowner interests in policy matters and provide educational programs and materials.

Implementation Responsibility

N.C. Division of Forest Resources Scotland County, N.C. Cooperative Extension Scotland County Center, local foresters

Timeline

Local forestry professionals should identify landowners by spring 2011 and establish a local forestry association by January 2012 with key landowners in leadership positions.

Educate more young people about agriculture and encourage farming as a career.

As farmers age, it's imperative that the next generation be educated in agriculture and be given the opportunity to explore farming as a career. Agriculture education needs to be promoted in the community as a whole—as part of the education curriculum in schools, through FFA, 4-H, civic groups and other public forums. To make this happen Scotland County leaders should

- Identify the skills and resources new farmers need to be successful in agriculture.
- Identify the obstacles that prevent or discourage new farmers from entering the profession. Provide information on educational, financial and technical resources available to would-be farmers to help them overcome these challenges.
- Partner with the public school system, community colleges, secondary schools, N.C. Cooperative Extension, civic groups and other agencies and organizations to provide information about agriculture as a career.
- Support FFA, Agriculture in the Classroom, 4-H and other youth programs that expose young people to farming as a profession.
- Explore other programs at area colleges and community colleges that provide business and technical skills needed to develop and manage a profitable small farm or agricultural business, use successful farmers and business leaders as instructors and offer a hands-on curriculum.
- Educate landowners about estate planning, inheritance taxes and other issues relevant to land transfer.

Implementation Responsibility

Scotland County Voluntary Agricultural District Advisory Board, Scotland County Planning Department, N.C. Cooperative Extension Scotland County Center, Scotland County School System, area colleges and community colleges, USDA Natural Resource Conservation Service, Scotland County Farm Bureau, Scotland County Soil and Water Conservation District, and other agencies as needed.

Timeline

Plan a strategy by December 2012. Begin implementation in the fall of 2013.

Explore ways to expand existing markets and tap into new markets for agricultural and forest products.

Scotland County has available land, water and soil resources to expand its agricultural and timber base. It should take advantage of this situation by developing a formal plan for retaining and expanding agriculture, forestry and agribusinesses in the county.

- Develop a county plan for agricultural and timber marketing, and for attracting agribusinesses to the area.

- Scotland County landowners, and natural resource and business professionals should stay apprised of advances in biofuel research that will create markets for trees, energy grasses and starch/sugar-based crops in the near future.
- Promote career opportunities in the biofuels industry and relevant educational programs at nearby community colleges and universities.
- Explore opportunities for improving buying and selling powers through cooperative programs.
- A 2008 N.C. Cooperative Extension Program proved profitable for Scotland County farmers who switched from growing corn and soybeans to growing peanuts. The N.C. Cooperative Extension Scotland County Center should continue to provide technical support and educational programs for farmers so that they can improve yield and profitability.
- Scotland County should take advantage of its increasing diversity of farms and farmers to develop niche markets for local produce. Promote agritourism as a way for farmers to create new sources of income and reach a broader clientele.
- Promote the “Food to Institution” initiative from the N.C. Department of Agriculture and Consumer Services. Fewer than 10 percent of farmers in Scotland County currently sell directly to the government, schools or military bases. Opportunities to market local produce directly to these consumers should be investigated and pursued.
- Evaluate existing incentives, cost-share assistance and economic development programs, and promote those that are most helpful to landowners who are interested in expanding their businesses and/or product offerings.
- Increase landowner awareness of the N.C. Department of Agriculture’s “Goodness Grows,” “Farm Fresh” and “North Carolina General Store” programs and encourage participation in these programs.

Implementation Responsibility

Scotland County Voluntary Agricultural District Advisory Board, Scotland County Farm Bureau, N.C. Division of Forest Resources Scotland County, N.C. Department of Agriculture, area colleges and community colleges, Scotland County Soil and Water Conservation District, N.C. Cooperative Extension Scotland County Center, Laurinburg/Scotland County Chamber of Commerce, Scotland County Economic Development

Timeline

Research on existing and prospective markets should begin once the Working Lands Protection Plan is endorsed by December 2010. A plan to implement this recommendation should be established by December 2011. Full implementation of recommendations should be accomplished by 2016.

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Appendixes

Appendix A

Cumberland County Lease of Development Rights Program

Cumberland County has developed a lease of development rights program that targets landowners who are in the “critically important” or “important” designations by the Joint Land Use Study of 2008. A sample of a Lease of Development Rights agreement is below.

Tax Parcel PIN #(s) – _____

This instrument prepared by and should be returned to:

Grainger R. Barrett County Attorney P.O. Box 1829 Fayetteville, N.C. 28302

**STATE OF NORTH CAROLINA COUNTY OF
CUMBERLAND**

**MILITARY MISSION AND
OPERATIONS AREA
CONSERVATION AND
PROTECTION AGREEMENT FOR A
DEFINITE TERM**

This MILITARY MISSION AND OPERATIONS CRITICAL AREA CONSERVATION AND PROTECTION AGREEMENT FOR A DEFINITE TERM ("Agreement") is made on this 1st day of October, 2005, by _____ ("Grantor"), and the COUNTY OF CUMBERLAND, North Carolina, ("Grantee"), a body politic and corporate and a subdivision of the State of North Carolina, P.O. Box 1829, Fayetteville, N.C. 28302.

RECITALS & PURPOSES

A. Grantor is the sole owner in fee simple of the property ("Property"), being approximately ____ acres, in the County of Cumberland, State of North Carolina and being that tract or portion of a tract identified in Exhibit A attached hereto and by this reference incorporated herein; and

B. The Grantee has authority in Part 4, Art. 19, of Chapter 160A of the North Carolina General Statutes to acquire, lease and/or enter into deeds, easements and other agreements to preserve and conserve open space and natural resources; and

C. The Property is located in the Fort Bragg Land Use Study Area conducted by the Fort Bragg Regional Land Use Advisory Commission, and is designated a military mission and operations critical or important tract in the Cumberland County Planning Department Small Area Land Use Study for such area; and

D. Fort Bragg and Pope Air Force Base missions are critical to the security and well-being of the nation, and are central to the identity, quality of life and economic vitality of the Cumberland County community; and

E. The overall aggregate pattern of development of land uses around Fort Bragg and Pope Air Force Base directly affects the suitability and compatibility of military missions which can be performed at the bases; and

F. It is in the public interest to maintain and enhance the military missions of Fort Bragg and Pope Air Force Base, and that further intense and/or urban development of tracts five acres or larger designated military mission and operations critical and important in the study area be minimized, while protecting property owners' property rights, economic interests and investment expectations; and

It is in the public interest that Cumberland County afford owners of tracts five acres or larger designated military mission and operations critical and important in the study area a voluntary opportunity to enter into Agreements intended to minimize further intense and/or urban development of their tracts during the term of the Agreement by maintaining (i) open spaces, or (ii) woodland, agricultural, or rural settings, scenic vistas and natural views, or

(iii) natural resources such as pastures, meadows, fields, rock outcroppings, creeks, streams, wetlands, croplands, etc.

NOW, THEREFORE the Grantor hereby unconditionally and irrevocably bargains and sells and conveys to Cumberland County, its successors and assigns, an easement for the term stated below for conservation and open space and natural resources protection purposes. Grantor covenants and agrees, for the direct benefit of Cumberland County, to preserve and conserve the Property substantially in the same condition and state of development as exists on the effective date hereof for the term of ten (10) years from the date this Agreement is recorded in the Cumberland County Registry, terminable as set forth herein.

The effective date of this Agreement shall be the date it is recorded in the Cumberland County Registry. Grantor may terminate this Agreement effective no sooner than five years from the commencement hereof, but only on at least one year's prior written notice to County.

Article I. Uses and Activities.

A. Definitions.

1. Current Uses include agriculture generally, such as farming, livestock, husbandry, horticulture, silviculture, nursery, timber, forest products, and other miscellaneous uses. Activities associated with livestock uses include raising, feeding, breeding, herding, moving, loading, buying and selling horses, cattle, goats, chickens, and dogs. Current Activities associated with agriculture uses include disking, fertilizing, and applying herbicides,

insecticides, pesticides and fungicides to cropland and pasture. They also include planting, sowing, harvesting, cutting, raking, baling, milling, grinding, and storing row crops, hay, grass, and straw. Current Activities associated with timber uses include planting, fertilizing, burning and applying herbicides, insecticides, fungicides, and pesticides to timberland. They also include harvesting, felling, logging, loading, transporting, and selling timber, logs, poles, pulpwood, and firewood. Current Activities associated with forest products include clearing, burning, and applying herbicides, insecticides, pesticides and fungicides to timberland. They also include raking, baling, loading, storing, and selling pine straw. Other Miscellaneous Uses and Activities include hunting, fishing, trapping; leased hunting, fishing and trapping rights; riding horses, mules and ponies; clearing land, removing stumps; drilling wells; installing water and electric lines, and building driveways, unimproved roads, fire lines, farm residences, farm buildings, well houses, and sheds in support of farming and agriculture. Current Uses and Activities also include the rental and maintenance of the three dwellings that currently exist on the Property.

2. Commercial Uses. Industrial, manufacturing or commercial uses and activities not directly related to or supportive of agricultural, horticultural, silvicultural, forestry, nursery or other uses permitted under the A-1 zoning classification.

3. Development. Development includes the construction, building, sale, lease, rent, and maintenance, of houses, offices, plants, facilities, buildings, roads, parking lots, grounds and associated infrastructure not directly related to or supportive of agriculture, horticulture, silviculture, forestry, nursery or of other uses permitted under the A-1 zoning classification.

B. Prohibited and Restricted Uses and Activities.

During the term of this agreement, the following activities are prohibited or restricted:

1. "Commercial Uses" and "Development" as described in Article I, Paragraph A. are specifically prohibited.
2. Grantor may not itself, or permit others to, dump trash, ashes, garbage, waste, abandoned vehicles, appliances, or machinery, or other materials on the property.
3. Filling, excavation, dredging, mining or drilling, or removal of topsoil, sand, gravel, rock, peat, minerals or other materials, or changes in the topography of the land shall be prohibited except as necessary for the purposes of combating erosion or as incidental to Permitted Uses and Activities allowed by this Agreement.
4. Although permitted uses in the A1 zoning classification, quarries, airports, assemblies, motor vehicle service stations and borrow source operations shall not be permitted under this Agreement.

5. The Property may not be subdivided, or partitioned, except that the Property may be subdivided into tracts five acres in size or larger.

C. Permitted Uses and Activities.

1. Current Uses and Activities described in Article I, Paragraph A. are permitted and can be expanded or extended without limitation or restriction.

2. Additional Uses or Activities, i.e., any uses or activities that are not Current Uses and Activities and that are not Prohibited and Restricted Uses and Activities, but are related to or extensions of Permitted Uses and Activities shall be considered Permitted Uses and Activities, however, Best Management Practices associated with those Additional Uses or Activities must be implemented. The term “related to or extensions of Permitted Uses and Activities” shall be construed and interpreted broadly consistent with the intent of this Agreement, to allow the widest variety of agricultural uses, including, by way of example but not of limitation, directly supporting retail uses such as feed stores or blacksmith shops and retail outlets for agricultural products such as nurseries or wineries, while avoiding urban-type development not appropriate, consistent with proper land use planning, to be located near active military uses now existing or existing during the term of this Agreement. The term “related to or extensions of Permitted Uses and Activities” shall be construed and interpreted broadly to allow Grantor wide flexibility in adapting to and evolving changed agricultural conditions and best management practices.

Such Additional Activities may include, for example, farming, silviculture, husbandry, timber, forestry, horticulture, nursery or related uses or businesses (such as, by way of example but not by way of limitation, agricultural supply or nursery wholesale and retail sales). Best Management Practices may include, for example, taking appropriate steps to maintain water quality, minimize sedimentation in or over the Property or into surface waters, etc.

In adopting Additional Uses and Activities, the parties desire to conserve, where consistent with such uses, the Property’s (i) open spaces, and/or (ii) woodland, agricultural or rural settings, and/or (iii) scenic and natural vistas, and/or natural resources such as meadows, pastures, fields, woods, croplands, rock outcroppings, creeks, streams, wetlands, etc.

Article II. Enforcement and Remedies.

A. Upon any breach of the terms of this Agreement by Grantor that comes to the attention of the Grantee, the Grantee shall notify the Grantor in writing of such breach. The Grantor shall have ninety (90) days after receipt of such notice to begin undertaking actions that are reasonably calculated to correct promptly the conditions constituting such breach. If the breach remains uncured after ninety (90) days, the Grantee may enforce this Agreement by appropriate legal proceedings including for injunctive and other related relief.

B. Grantee, its employees and agents and its successors and/or assigns, shall have the right, with reasonable notice and at reasonable times, to enter the Property for the purpose of inspecting the Property to determine whether the Grantor and its successors and/or assigns are complying with the terms, conditions and restrictions of this Agreement. Grantor shall not be liable to Grantee, its employees and agents and its successors and/or assigns, for any personal injury or damage which may result from Grantee's exercise of this right of inspection, and Grantee shall, to the extent allowed by law, hold harmless and indemnify Grantor against any such personal injury or damage which may result from Grantee's exercise of this right of inspection.

C. Nothing contained in this Agreement shall be construed to entitle Grantee to bring any action against Grantor for any injury or change in the Property caused by third parties, resulting from causes beyond the Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken in good faith by the Grantor under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Property resulting from such causes.

Article III. Documentation and Title.

A. Property Condition. The parties acknowledge that the Property is currently developed to the following extent, as generally described in Exhibit B, attached hereto and incorporated by reference, which sets forth a narrative description of the general extent of use and/or development of the property as of the date hereof. Exhibit C, attached hereto and incorporated by reference, is an aerial photograph of the Property from the County's GIS system.

B. Title. The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Property in fee simple and has good right to grant this Agreement and convey the easement rights hereby conveyed, that the Property is free and clear of any and all encumbrances, except agreements of record, and Grantor covenants that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of the aforesaid Agreement.

Article IV. Compensation.

A. In consideration of this Agreement, Grantee shall pay to Grantor \$____ annually on each February 1 that this Agreement is in effect, contingent upon (i) Grantor's compliance herewith, and (ii) Grantor's timely payment of ad valorem property taxes attributable to the calendar year preceding such February 1. Grantor acknowledges that such payment is made in consideration of the term hereof being at least ten (10) years. If Grantor shall terminate this Agreement in his, her or its discretion prior to expiration of the stated term hereof, then Grantor shall reimburse to Grantee a pro rata portion of the compensation payments made hereunder, as follows: (I) if termination occurs during the first five years, Grantor shall reimburse Grantee all amounts paid by Grantee as compensation hereunder; (II) if termination occurs after the fifth year, then Grantor shall reimburse Grantee half [50 percent] of all amounts paid by Grantee as

compensation hereunder attributable to any period after the fifth year of the term hereof. Grantor shall make such payment to Grantee within 45 days after the effective date of a termination triggering such reimbursement obligation.

B. In further consideration of this Agreement, Grantee shall assess, during the term of this agreement, Grantor's Property for ad valorem property tax purposes at the lower of its current assessment or the assessment which Grantee's Tax Administrator would apply to the Property were the Property zoned CD (Conservation District). The Grantor and Grantee acknowledge that Grantee's Tax Administrator assesses CD real property at the rate of \$___ per acre.

C. Nothing in this agreement shall be construed to affect or otherwise alter the zoning classification of the Property at the end of the term of this agreement. Nothing in this agreement shall be construed to affect or otherwise alter the Grantor's use of the Special Use tax program at the end of the term of this agreement.

Article V. Miscellaneous.

A. Subsequent Transfers. Grantor agrees for itself, its successors and assigns, to notify Grantee in writing of the names and addresses of any party to whom the Property, or any part thereof, is to be transferred after the effective date hereof at least ten business days prior to the time said transfer is consummated. Grantor, for itself, its successors and/or assigns, further agrees to make specific reference to this Agreement in a separate paragraph of any subsequent lease, deed or other legal instrument by which any interest in the Property is conveyed.

B. Conservation Purpose. Grantee, for itself, its successors and assigns, agrees that this Agreement shall be held by it exclusively for conservation of natural resource, agricultural, agroforestry, silvipasture, forestry, horticulture, silviculture, open space purposes or related uses as more fully described above.

C. The parties hereto agree that the benefits of this Agreement are not assignable.

D. Construction of Terms. This Agreement shall be construed to promote the purposes of the North Carolina enabling statute set forth in N.C.G.S. 160A-401 et seq., which authorizes the creation of open space and natural resource conservation agreements, easements, deeds, etc. for purposes including those set forth in the recitals herein.

E. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Agreement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Agreement. If any provision shall be found to be invalid, the remainder of the provisions of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

F. Recording. The Grantee may record this instrument and any amendment hereto in timely fashion in the official records of the Cumberland County, North Carolina Registry.

G. Notices. Any notices shall be sent by certified mail, return receipt requested, addressed in the case of Grantor,
to _____, and
in the case of Grantee to Cumberland County, c/o County Manager, P.O. Box 1829, Fayetteville, N.C. 28302, or to such other addresses such party may establish in writing to the other.

H. Environmental Condition of Property. The Grantor warrants and represents to the Grantee that to the best of its knowledge as of the date hereof there are no hazardous materials, substances, wastes, or environmentally regulated substances located on, in or under the Property or used in connection therewith. Notwithstanding the foregoing, Grantor expressly advises Grantee that asbestos was a common building material at the time many structures on the Property were constructed, and Grantor makes no warranty or representation to Grantee as to the presence or absence of asbestos in any particular structure on the Property. Grantor further expressly advises Grantee that use of regulated or restricted chemicals incorporated into pesticides, insecticides, herbicides, etc. is customary, common and normal incidental to the activities carried on by Grantor and permitted hereunder, and Grantor makes no warranty or representation to Grantee as to the presence or absence of such regulated or restricted chemicals on the Property.

TO HAVE AND TO HOLD unto Cumberland County, North Carolina, its successors and assigns, forever on the terms above stated. The covenants agreed to and the terms, conditions, restrictions and purposes imposed as aforesaid shall be binding upon Grantor and Grantor's successors and/or assigns, and shall continue as a servitude running during the term of this Agreement with the Property.

IN WITNESS WHEREOF, Grantor and Grantee by authority duly given, have hereunto caused these presents to be executed by their respective officers and their corporate seals affixed, as of the date first appearing hereinabove, to be effective upon the date of recordation in the public registry of Cumberland County, North Carolina.

GRANTOR:

WITNESS: _____ By: _____

By: _____

GRANTEE: CUMBERLAND COUNTY,

ATTEST NORTH CAROLINA

By: _____

_____ Chairman of the Board of Commissioners

Appendix B

Agricultural Producer, Agribusiness and Non-Farm Surveys

Surveys and interviews were conducted in the county to account for the trends, issues and opportunities the community as a whole identifies for agriculture. The populations targeted were producers/landowners, agri-businesses and the general non-farm public.

The county team distributed the surveys through their meetings, to their advisory boards and on their websites. The team also provided names of key people in the county to interview. All the survey and interview responses were compiled to determine the response.

Copies of the three surveys are below.